The Business of Politics and the Politics of Business
Anglo-Saudi Relations in the Contemporary Era, 1991-2006

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Thesis

The Business of Politics and the Politics of Business:
Anglo-Saudi Relations in the Contemporary Era, 1991-2006

By Waleed al-Hamoudi

Thesis submitted for the degree of Doctor of Philosophy
Middle East & Mediterranean Studies
School of Arts & Humanities
King’s College London
University of London
8 January 2014
Abstract

This thesis examines the Anglo-Saudi bilateral relationship in the political, security and economic spheres in the period between 1990 and 2006. This was a decade and a half that saw the Iraqi invasion of Kuwait and the subsequent US-led international coalition to remove him from Saudi Arabia’s smaller neighbour. It also saw the birth of Saudi-born al-Qaeda, the September 2001 (9/11) attacks on the United States and the subsequent US-led invasion of Afghanistan (2001) and Iraq (2003). All of these events had a profound impact on Saudi Arabia’s security situation. But they also impacted on the socio-economic direction of the country and forced the nation to look inwards to identify its failings as well as its strengths. Through all this Britain was one of the external parties that worked most closely with the Saudi leadership in every sphere. As chapter one of this thesis shows, the British engagement with the founder of Saudi Arabia, King Abdulaziz AlSaud (aka Ibn Saud), can be traced back to the very beginning of his rise to greatness. As the dominant western power in the Middle East at the start of the twentieth century, Britain had a major influence on the evolution of the Saudi state in its earliest years. This chapter highlights the highs and lows in the bilateral relationship both in the years between World War I and II and during the Cold War era as Britain saw its status as the dominant western player in the Middle East be superseded by the United States. This chapter ends on the eve of the Iraqi invasion of Kuwait. Chapter two examines the bilateral Anglo-Saudi relationship in the context of this unprecedented crisis. Chapter three examines the economic relationship between these two countries from the end of the Gulf crisis of the early 1990s until the end of the period under study in 2006. In particular, it examines this important issue in terms of the arms trade between the two
countries and the record breaking al-Yamamah arms deal of the 1980s and 1990s. Chapters 4 and 5 looks at the strains and tensions, as well as opportunities for cooperation, in the areas of counter-terrorism, human rights and democratisation that followed the 9/11 attacks on the US. Chapter 6 examines how the US-led invasion of Iraq impacted on bilateral relations between London and Riyadh. Throughout the major contention at the heart of this thesis is that despite major strains and stresses on bilateral relations, Anglo-Saudi ties between 1990 and 2006 not only developed positively in many areas but flourished.
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Acknowledgements

My sincere appreciation and gratitude go to my mother and my father. Particular thanks must also go to my wife and to my children for their patience, encouragement and sacrificed evenings, weekends and holidays. I would like to give my thanks to Professor Rory Miller for helping me through the project, for supervising my research and for his effort. Without all their encouragement this thesis could not have been completed.
## Acronyms and Abbreviations

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<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tr>
<td>API</td>
<td>Arab Peace Initiative</td>
</tr>
<tr>
<td>ARAMCO</td>
<td>Arab American Petroleum Company</td>
</tr>
<tr>
<td>ARC</td>
<td>Advice and Reformation Committee</td>
</tr>
<tr>
<td>AYEOP</td>
<td>Saudi British Economic Offset Programme</td>
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<tr>
<td>BAA</td>
<td>British Airport Authority</td>
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<tr>
<td>BAE</td>
<td>British Aerospace</td>
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<tr>
<td>BBC</td>
<td>British Broadcasting Corporation</td>
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<tr>
<td>BSE</td>
<td>Bovine spongiform encephalopathy</td>
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<tr>
<td>CDLR</td>
<td>Committee for Defence of Legitimate Rights</td>
</tr>
<tr>
<td>CIA</td>
<td>Central Intelligence Agency</td>
</tr>
<tr>
<td>CNN</td>
<td>Cable News Network</td>
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<tr>
<td>CRS</td>
<td>Congressional Research Service</td>
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<tr>
<td>CSFP</td>
<td>Common Security and Foreign Policy</td>
</tr>
<tr>
<td>DfID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>EIJ</td>
<td>Egyptian Islamic Jihad</td>
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<tr>
<td>ERM</td>
<td>Exchange Rate mechanism</td>
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<td>EU</td>
<td>European Union</td>
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<td>FCO</td>
<td>Foreign and Commonwealth Office</td>
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<td>GATT</td>
<td>General Agreement on Tariff and Trade</td>
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<td>GCC</td>
<td>Gulf Cooperation Council</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GIA</td>
<td>Algerian Armed Islamic Group</td>
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<tr>
<td>HMG</td>
<td>His Majesty’s Government</td>
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<tr>
<td>HRC</td>
<td>Human Rights Commission</td>
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<td>HRH</td>
<td>Her Royal Highness</td>
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<td>HRW</td>
<td>Human Rights Watch</td>
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<tr>
<td>HSBC</td>
<td>Hong Kong Shanghai Bank Corp</td>
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<tr>
<td>ICI</td>
<td>Imperial Chemical Industries</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<td>INA</td>
<td>Iraqi National Accord</td>
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Introduction

In October 2007, Queen Elizabeth II hosted Saudi King Abdullah at a state banquet at Buckingham Palace.¹ This was the first visit by a Saudi king to Britain for two decades. It was amicable and constructive trip and reminded observers that Saudi kings, since the country’s founder King Abdulaziz (aka Ibn Saud), had always placed a value on developing friendly relations with British governments and monarchs.

Moreover, it was a reminder that though troubled on occasion, the deep and extensive links between Britain and Saudi Arabia that could be traced back to the pre-Saudi state era, were strong and transcended any crisis or series of crises in the political, economic or security spheres. It was also evidence, as this thesis will argue, that despite experiencing major challenges in the years between 1990 and 2006, the bilateral relationship not only survived but was remarkably buoyant in this period.

This thesis examines the evolution of the bilateral Anglo-Saudi relationship in the political, diplomatic, security and economic spheres in the period between these two Saudi royal visits. Specifically, it examines the period between the beginning of the Gulf Crisis of 1990-91 and the end of 2006, a time when the major pre-occupation of both Britain and Saudi Arabia were the on-going post-9/11 war on terror and weathering the fallout from the 2003 US-led invasion and occupation of Iraq.

This decade and a half in question saw a number of major developments in the international arena that had the potential to damage and arguably even decimate bilateral ties between London and Riyadh – war, terrorism, economic recession and allegations of corruption linked to record breaking arms deals. It also saw unprecedented social and political change. Saudi Arabia in particular, in the period under discussion, had to face domestic pressure from reformers and liberals on the one hand for societal change and from conservatives and Islamists committed to religious traditions and customs on the other. Though Britain faced very different socio-economic challenges over the same period, throughout the 1990s and especially in the wake of 9/11, the British government looked to support Saudi Arabia in its process of political and social reforms.

Research Questions

Despite facing very different domestic political, social and economic and cultural realities it is the contention of this thesis that the relationship has gone from strength to strength. In making the case that the relationship has not only endured but has flourished this thesis adopts a narrow rather than broad-based research focus in the period between 1990 and 2006. In doing so, as will be addressed below, it fills a gap in the existing literature on Anglo-Saudi bilateral ties.

The first research question at the heart of this thesis is: why the Anglo-Saudi bilateral relationship took the form it did between 1990 and 2006? In doing so it explores the nature of the bilateral relationship over this period addressing the key aspects of cooperation between the two countries.
Moreover, both Saudi Arabia and Britain witnessed, experienced and participated in many of the same major, even seminal, global events, crises and challenges between 1990 and 2006. This demands an examination of the differences and similarities between the two countries in terms of their foreign policy priorities during a turbulent decade and their role on the international stage.

This thesis poses one overarching research question. How was the bilateral Anglo-Saudi relationship in the political, security, diplomatic and economic spheres impacted on by this reality? Moreover, to what extent did the two countries agree or refuse to co-operate on the various international issues like 9/11, globalization, terrorism and the wars in Afghanistan and Iraq?

No less importantly, this thesis asks just how the external and internal stresses that impacted on ties were handled by both British and Saudi governments and whether or not there has been a notable or long-lasting deterioration in bilateral relations as a result of the challenges faced.

In specific terms, this thesis examines how the challenges and threats that Iraq under Saddam Hussein represented to both Saudi Arabia and Britain influenced bilateral ties between 1990 and 2003. The thesis also attempts to identify the points of agreement and disagreement between the two countries over how to deal with the threat of Saddam? And how differences in approach on this issue impacted on bilateral relations?
However, an important aspect of Anglo-Saudi relations in the period of time covered in this dissertation (1990-2006) has been trade and economic cooperation. This thesis examines the forms of economic cooperation and asks how the economic difficulties experienced by both countries in the wake of the Gulf War of 1990-91 redefined the bilateral relationship between 1991 and 2006.

In the period under examination in this thesis both Britain and Saudi Arabia experienced lows and highs in the economic sphere. As Chapter 3 shows, in the immediate wake of the Gulf Crisis of 1990-91, both the British and Saudi economies, for admittedly different reasons, faced major difficulties. Saudi Arabia faced a major deficit that reached US$32 billion 1991 and grew subsequently on the back of a number of years of low oil prices and the huge cost to the Saudi exchequer of paying for much of the war against Saddam. For its part the immediate years following the Gulf Crisis saw rampant inflation and problems brought about by the British entry and exit from the Exchange Rate Mechanism (ERM).

Despite these mutual difficulties Britain played an important role in helping Saudi Arabia in its major efforts to tackle economic downturn in the 1990s by attracting Foreign Direct Investment (FDI) and privatising state-owned industries. On the British side, the 1990s also reaped the financial rewards of the al-Yamamah deal, which had been signed in 1988 and saw revenues for Britain average around US$2 billion per annum (making up a total amount of around US$40 billion). This was a major boost to the whole British economy.
Another consequence of the al-Yamamah project that was central to the bilateral economic relationship throughout the 1990s and into the 2000s was the British Offset Office. Established in 1984 to help encourage investment in, and the transfer of new technology to, Saudi Arabia, this body preceded the al-Yamamah agreement but quickly became intertwined with it.

Given this economic context this thesis looks to evaluate the extent and nature of mutual cooperation that contributed to both nations’ efforts to overcome economic difficulties in the first part of the 1990s. It also examines how the massive al-Yamamah arms deal of the late 1980s impacted on the bilateral economic relationship in the subsequent two decades and how, and in what ways, it influenced the political aspects of the relationship.

**The Realist Paradigm**

While this thesis is first and foremost a piece of contemporary history it also very much acknowledges from the outset the role that Realism has played in sustaining bilateral Anglo-Saudi ties. Realism, in terms of the international relations literature, reflects a set of assumptions about the way relationships are ordered in international affairs. It assumes that the nation-state is traditionally the central actor in the international system and that states act in order to increase their own security, pursue their own national interests, and are in a constant struggle for power.

Indeed classical realism is primarily concerned with the sources and uses of national power in international politics and the problems that leaders encounter in conducting
foreign policy. In these terms senior policymakers in Britain and Saudi Arabia over the course of the period under examination were constantly dealing with bilateral ties in terms of a set of cost-benefit assumptions intended to advance their national interests in the security, economic and diplomatic spheres.²

Of course Realism does not exist in a bilateral vacuum. To a certain extent, to take one example, British policy towards and engagement with Saudi Arabia has been both constrained and shaped by external factors and global events. To take one key example, Britain’s special relationship with the United States (US) and its membership of the European Union (EU) both influenced the nature of bilateral ties with Saudi Arabia.

All the more so as both John Major and Tony Blair looked to consolidate the “special relationship” with Washington built up by Margaret Thatcher during her time in power while at the same time attempting to improve the strained relationship with Europe that they had inherited from the Thatcher era.

During the Thatcher premiership between 1979 and 1990, Anglo-Saudi relations witnessed a major improvement that expressed itself in practical cooperation in the security and economic spheres. During the Kuwait crisis of 1990-91, as is examined in chapter 2, Britain, both under Thatcher and her successor John Major, played a notable

² Sean Kay, Global Security in the Twenty-First Century: The Quest for Power and the Search for Peace, Rowman & Littlefield 2006, p16.; Jack Donnelly, ‘The Ethics of Realism’, in Christian Reus-Smit, Duncan Snidal (eds.), The Oxford Handbook of International Relations, Oxford University Press, 2008, p. 150. Steven E. Lobell, Norrin M. Ripsman, Jeffrey W. Taliaferro, Neoclassical Realism, the State, and Foreign Policy, Cambridge University Press, 2009  p 16. Realism theory is centred upon a number of general propositions including the belief that the international system is anarchic and exists in a state of constant antagonism and the primary concern of all sates is survival
and noted role in deterring Iraq from threatening Saudi Arabia and in convincing the Saudis to embrace the US-led international coalition in which it played a major role.

In particular, from the time that the first British combat troops from the 7th Armoured Brigade arrived at Saudi port of Al Jubayl on the Persian Gulf on 16 October 1990, Britain played a key role in contributing to the development of a defensive capability to deter Iraq from attacking Saudi Arabia, and in the planning for the defence of Saudi Arabia if deterrence failed.

In the wake of the conflict the British government was strongly committed to improving relations with Saudi Arabia. It had ambitions to reinvigorate the existing relationship by focusing on defence and security and trade and investment. Visits by Thatcher and then Major to Saudi Arabia to discuss the war and post-war situation played a significant part in strengthening and extending Anglo-Saudi relations at the highest level in the early 1990s.

Indeed, the primary objective of John Major in making his first official visit as prime minister to Saudi Arabia in early January 1991 was not simply to confer with Saudi policymakers about the Kuwait crisis but to promote a significant post-war role for Britain.

The three way UK-US-Saudi dynamic was seen in the wake of the 9/11 terror attacks on the US and even more clearly in the build up to, and following the invasion of, Iraq in 2003. Post 9/11 Britain and Saudi Arabia supported the US-led war on terrorism and the
Saudi-British counter-terrorist relationship went from strength to strength. This cooperation on a bilateral level was complemented by multilateral action at the United Nations (UN).

The May 2003 Riyadh bombings and further attacks in 2004 and 2006 overlapped with the July 2005 (7/7) London bombings. Taken together they were the worst cases of domestic terror that both countries had ever experienced. Sympathy for loss and suffering aside both countries faced criticism in the wake of 9/11 for their past dealings with radical Islamists. Saudi Arabia, for example, faced widespread accusations that it was an exporter and sponsor of terrorism. Britain for its part, faced attacks from allies including Saudi Arabia that its capital city “Londonistan” (as London had become widely referred to) had become a haven for radical Islamists, many of whom (most notably Osama Bin Laden) were committed to the overthrow of the status quo in Saudi Arabia.

On top of this, as chapter 6 will show, senior Saudi officials also claimed that Britain had ignored Saudi warnings about the possibility of terror attacks going so far as to argue that the 7/7 attacks could have been prevented, a claim vehemently denied by British leaders. This affair, coming as it did at the end of the period of time under examination in this thesis both highlighted how far Anglo-Saudi counter-terror cooperation had come in the post 9/11 era as well as the sensitivities of such cooperation and the potential for bilateral disagreement on key issues.

The American invasion of Iraq in 2003 was perhaps the most difficult challenge facing the Saudi and British governments in the post 9/11 era. At the time Britain was
Washington’s closest ally and Saudi Arabia was the most important US ally in the Middle East.

Since the end of the Gulf War in 1991, the Saudi leadership had constantly re-evaluated and amended its policy towards Iraq. After 9/11, the Saudis increasingly came to prefer the containment of Saddam and the status quo than his removal by war and the likely power vacuum in the region that would follow a conflict.

Even when the prospect of war became inevitable in the latter part of 2002 Saudi Arabia continued to call for a diplomatic and peaceful solution to the crisis, by allowing the inspectors more time and urging Saddam to co-operate with the UN and implement UN Resolution 1441.

When the war began Saudi Arabia refused to participate actively in the overthrow of Saddam. Britain, for its part, was at the forefront of the war coalition. The war in Iraq raised major concerns for Saudi Arabia that instability and sectarian tensions could spill over and that it would be a pretext for Iranian influence across Iraq and the entire Gulf region. After Saddam’s defeat in early April 2003, Saudi Arabia called for the UN to succeed the US and British occupying powers as the interim authority in Iraq, pending a rapid return to Iraqi self-rule.

As this thesis will show, the Saudi determination to stop the insecurity and instability that had defined Iraq since 2003 from spreading beyond Iraqi borders and particularly into Saudi Arabia, placed strains on the Anglo-Saudi relationship. This was particularly true
as inside Iraq British forces held command of southern Iraq from its base in Basra, where they were tasked with improving security, keeping the Iranian attempt to extend its influence in check and providing humanitarian aid to the Iraqi people.

In this third role, and despite differences over the occupation of the country, Britain and Saudi Arabia worked closely in the post-war period in contributing to the reconstruction process inside Iraq.

**Literature Review**

This thesis is based on a diverse range of primary sources and secondary works. These include government documents in archives notably the British National Archives (BNA) and their American counterpart the US National Archives (NA), as well as published state department documents in volumes in various parts of the Foreign Relations of the United States (FRUS) series. The centrality of archival documents either published (as in the case of FRUS) or held in the archives was limited because the main focus of the thesis begins in 1990 and is thus covered by the “thirty year rule” for access to confidential government documentations.

Nevertheless, the BNA materials, in particular files in the Foreign Office and India Office holdings, as well as correspondence and papers from political residencies and agencies in the region, were very useful for illuminating the key issues that preoccupied British and Saudi officials during the prolonged period of time in the bilateral relationship before
1990. All this provided valuable detail for the first chapter, which provides a historical background and context.

While subsequent chapters cannot avail of these archival resources because the events they cover are too recent there are still a number of official documents and types of published government data and statistics on economic issues that throw much light on the broad subject area.

This is particularly true for chapter 3 that examines the bilateral economic relationship from 1990-2006. Materials of value for this include data from the Saudi Arabian Monetary Agency (SAMA), the British Treasury, the Bank of England, the Saudi Ministry of Finance and National Economy, the United Nations Conference on Trade and Development (UNCTAD), the World Bank and the International Monetary Fund (IMF), as well as the World Tourism Organization (WTO) Statistics Database and Yearbook and the British Office for National Statistics (ONS).

In the political sphere valuable insights were gained from documents and data provided by the Royal Embassy of Saudi Arabia in London as well as reports published by various committees of the House of Commons and speeches and transcripts of debates recorded for historical purposes in Hansard, the edited verbatim report of proceedings of both the House of Commons and the House of Lords.

In particular, House of Commons reports dealing with the Gulf Crisis of 1990-91, the War on Terror post 9/11 and the US-led invasion of Iraq in 2003 are a rich source to
illustrate the convergence and divergence of views between the two countries and the British vision of the overall situation in the Kingdom of Saudi Arabia as it relates to British interests.

In terms of secondary works there are numerous book length studies of the history of Saudi Arabia that examine the rise of Ibn Saud in the early 1900s and the birth of Saudi Arabia in the 1930s. A representative sample have been used in the writing of this thesis and are referenced in both chapter one where relevant and in the bibliography.

Between 1900 and 1945 Britain was the predominant political, diplomatic and economic external power in the Middle East. As such, there is also an extensive literature on Britain in the Middle East that was of value in the writing of chapter 1. However, again, it is far too wide-ranging to cover in full in a thesis that is primarily about a more contemporary period dealing with more recent issues. Nevertheless, again as in the case of historical works dealing with the birth of the Saudi state, this thesis has attempted to provide a brief but representative coverage of the rich research in this subject area in the course of chapter 1.

A third important area of research that is important to be aware of in the context of the recent bilateral Anglo-Saudi relationship is the three way dynamic primarily in the strategic, diplomatic, energy and security spheres between London, Riyadh and Washington. This began in the 1930s with the entry of oil as a consideration in strategic affairs. It crystallized during World War II in the 1940s and came to a climax in the
1950s when the US fully asserted its dominant position over Britain as the primary western power in the Middle East in general and Saudi Arabia in particular.

What is interesting in all this and what makes this thesis a valuable addition to the scholarly literature is that despite the vast and illuminating literature in all three of the above areas (the history of Saudi Arabia, the history of Britain in the Middle East and the relationship between the US, Saudi Arabia and Britain), there has been relatively little written that directly examines the Anglo-Saudi relationship in either the historic or contemporary period from a mainly bilateral perspective.

There are of course some notable exceptions. Gary Troeller’s The Birth of Saudi Arabia: Britain and the Rise of the House of Saud focuses primarily on the early years of British ties with Ibn Saud and the subsequent birth of the Saudi state. A second study that is hugely valuable is Britain and Saudi Arabia 1925-1939 by Clive Leatherdale. This work covers the period between 1925 and 1939. In doing so it does well to place the bilateral relationship in the context of the rapidly evolving change in Britain’s position in the Middle East in the latter part of the inter-war period, as well as in a time when oil became increasing significant as a key consideration in bilateral ties.

Shafi Aldamer’s doctoral dissertation, subsequently published as a monograph under the title Saudi Arabia and Britain: changing relations, 1939-1953, takes up where Leatherdale leaves off by examining the bilateral relationship from the eve of World War II until the early 1950s when Britain’s inter-war dominance of the Middle East was a thing of the past and the US was now the major western power in the Middle East in
general and Saudi Arabia in particular. A more detailed and focused work that only deals with the bilateral relationship in the crucial last year of World War II is Mastor Mohsen Hassan El Gabry’s *Saudi-British Relations, 1945*. Again, oil, US power and the decline of British influence are all key themes in this unpublished thesis. 

Though informative and scholarly, these books are a testament to the lack of research on bilateral Anglo-Saudi relations in the historic era. There is an even greater dearth of literature dealing directly with British-Saudi relations in the later Cold War era and in the post-Cold War era.

Again, the extensive literature on the Kuwait crisis of 1990-91, the War on Terror and the US-led invasion of Iraq throws much light on bilateral British-Saudi ties indirectly for the main reason that both Saudi Arabia and Britain were key players in all three of these ground-breaking contemporary events.

To give one example, the works by Desmond Ball on intelligence in the Gulf War, by Deborah Amos on the impact of the Gulf War on the Arab world, by Ghazi A. Algosaibi on the impact of the crisis on Saudi society, by Brendan Clifford on the Gulf War at the United Nations, by Efraim Karsh and Lawrence Freedman on the high politics and diplomacy leading up to the ground war in Kuwait and by Michael R. Gordon and Bernard E. Trainor on the role of senior military men in the crisis have all been very

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useful in helping to understand the Anglo-Saudi relationship during the 1990-1991 Gulf crisis.⁴

In a similar vein, another useful source for throwing light on bilateral relations and interactions during key recent events is memoirs written by participants on both sides. Admittedly such works always run the risk of distorting or covering up the subject’s role and failings. However, in this case they do provide a valuable insight into high-level interactions and perceptions amongst Saudi and British leaders and senior officials.

This is particularly true of the memoirs of Khaled Bin Sultan, the senior Saudi general who was head of coalition forces during the 1990-91 Gulf Crisis and those of Peter de la Billière, the senior British commander in the battle for Kuwait. Both were published after the victory over Saddam in 1991 and both tell us much about mutual perceptions in the battlefield, war planning and strategic context.⁵

Though on the political level there are few memoirs by senior Saudi figures that dwell on the bilateral Saudi-British relationship there are a number of memoirs and autobiographies published by former top British officials including the three prime ministers – Thatcher, Major and Blair – during the timeframe covered in this thesis that


address ties with the Saudis.

Of particular interest to this study are those by Thatcher and Major as they deal in forthright and candid terms with their involvement in the Gulf Crisis of the early 1990s (Major’s book is considered one of the most honest and revealing memoirs by a former prime minister). For his part, Blair in his own post-premiership book, *A Journey*, addressed important issues related to his foreign policy approach in the post 9/11 era and the invasion of Iraq, which add to our understanding of relations with Saudi Arabia.⁶

By drawing on all the above types of primary source, secondary work and economic data this thesis builds on the existing literature on Saudi-British relations. Moreover, it offers an original perspective on the issue in a time frame previously rarely addressed. In the course of doing so it hopefully illuminates one key, but previously understudied, aspect of British engagement in the Middle East, Saudi external relations and Realist diplomacy since the end of the Cold War.

**Description of Thesis**

This thesis is divided into six self-contained but intertwined, and indeed overlapping, chapters that examine the bilateral relationship from a number of different perspectives. Chapter one provides a historical examination drawing on a mixture of primary sources

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and secondary works on some of the key political and diplomatic issues that influenced the bilateral Anglo-Saudi relationship in the ninety years between 1900 and 1990.

It examines the bilateral relationship during World War I and the interwar period during which the Saudi state was born. It also looks at how British dominance of the Middle East in the years between 1919 and 1939 declined in the wake of World War II. During these years Britain ceded its status as dominant western power in the region to the US. This process began in the 1930s when Saudi Arabia’s oil resources began to be a consideration in western strategic considerations. It peaked in the early Cold War years and came to a somewhat anti-climactic and inevitable conclusion in 1968 when the then British government announced its withdrawal from the Persian Gulf.

The rest of this chapter charts the deterioration in bilateral relations during the 1970s and then the attempt in the 1980s by the Thatcher government to reverse this trend and build a new partnership. Throughout this chapter the emphasis is placed on examining how key events and issues— including war, oil, territory, the Cold War and trade—either damaged or led to an improvement in bilateral relations in the pre-1990 era.

Chapter two narrows the focus to look at Anglo-Saudi cooperation in a time of conflict. It examines how Saddam Hussein’s invasion of Kuwait in August 1990 increased the importance of Britain to Saudi Arabia in the security sphere. It also looks at how the two British prime ministers who led the country during the crisis – Major and Thatcher – used their role in removing Saddam from Kuwait to further build bilateral relations in the security and trade spheres. Given Saudi Arabia’s oil wealth, major plans for domestic
economic development and diversification and efforts to build up its military capability from the early 1970s, the economic relationship has always been high on the bilateral agenda.

This became very clear in the late 1980s when Riyadh and London signed the al-Yamamah arms deal, one of the largest in history. Chapter three looks at the evolving economic relationship between the two countries in the wake of this deal in the context of the economic downturn in both countries both at the time of, and following, the Gulf Crisis.

Its focus is not only on straightforward economic trade ties (exports and imports), but also on how British expertise was positioned to contribute to the Saudi move from stagnation to growth in the second half of the 1990s. The chapter also looks at how the bilateral relationship expanded in these years in the cultural and educational spheres.

Chapter four examines the Anglo-Saudi relationship through the prism of the 9/11 terror attacks on the US – a country that both Saudi Arabia and Britain considered their number one ally. This chapter looks at how both Riyadh and London responded to the attacks on Washington and New York. It also shows the tensions in the relationship that resulted from the Blair government’s full scale commitment to the war in Afghanistan in October and November 2001 and from the fact that Britain had earned itself a reputation as a safe haven for radical Islamists, some of whom were connected to al-Qaeda, in the 1980s and 1990s.
This was a particular disappointment for Saudi Arabia’s leaders who were one of the main targets of these dissidents and radicals. Chapter five looks at another aspect of the post-9/11 bilateral relationship – cooperation in the face of Islamist terror. It examines how the war on terror forced both countries to fundamentally reconsider how they tackled international terrorism in all its aspects. It shows their cooperation on a bilateral and multilateral level and how the innovative Saudi approach to rehabilitating terrorists (as well as stamping them out) became a model for the rest of the world including Britain. Finally, it shows how both countries responded to major terror attacks on home territory between 2003 and 2006.

One of the most contentious issues of the last decade in international affairs has been the extent that the war on terror in general and the US-led invasion of Iraq in 2003 in particular fuelled rather than neutralized the terror threat that countries like Britain and Saudi Arabia faced.

The final chapter of this thesis examines how, in the immediate wake of the Iraq invasion, Saudi Arabia began to experience an unprecedented terror assault. In 2005 London experienced the same with the single most devastating terror attack on British soil in history. The relationship between the war in Iraq and such attacks was not only accepted amongst Saudi leaders but was publicly predicted as an argument against the war even before the invasion in March 2003.
British leaders were far less transparent on this issue. Before the 7/7 bombings the only discussion of this issue at the highest levels was behind closed doors. Ultimately this difference would create tensions between the Saudi and British governments. So to would a number of other key points relating to the invasion and occupation of Iraq. However, as this concluding chapter shows, despite such tensions, the bilateral relationship weathered the Iraq war just as it had all other potential crises over the previous decade and a half.

Conclusion

There is no denying the strains on the bilateral Saudi-British relationship between 1990 and 2006. It was a turbulent period and bilateral ties reflected this reality. Events confirmed Britain’s long-time decline, especially vis-à-vis the US, as a superpower in the Middle East. It also consolidated Saudi Arabia’s status as a key regional player. Nevertheless, as this thesis shows, for Saudi Arabia these years also underscored Britain’s continuing importance as a regional player and a bilateral partner.

Similarly, while events in these years provided a constant reminder that in terms of history, geography, customs and traditions, Britain and Saudi Arabia remained quite far apart they also provided evidence that both countries shared some key interests and priorities in the security, economic and political spheres. The fruits of all this was an exceptional and unprecedented level of cooperation and partnership in light of the some major challenges. How and why this was the case is the focus of this thesis.
Chapter One

Shifting Sands: The Ups and Downs of Bilateral Relations in the Political and Diplomatic Sphere, 1900-1990

Prior to 1902 the territory now known as modern day Saudi Arabia was controlled by the Ottoman Empire, which had suzerainty over most of the Arabian peninsula and exerted control via tribal leaders. This chapter identifies and analyses the shifts in Saudi-British relations from the rise to power of King Abdulaziz AlSaud (also known as Ibn Saud) in 1902 and the formation of the Kingdom of Saudi Arabia in 1932 until 1991, the year that witnessed the Iraqi invasion of Kuwait. In doing so it will provide a survey of some of the key events and developments in Saudi-British relations over this period.

It is not intended to provide either a comprehensive or definitive historical narrative survey. Rather, its objective is to address some of the most important chapters in the bilateral relationship over this almost century long period in order to show, what this chapter title terms, the “ups and downs” in the political and diplomatic sphere.

Between 1902 and 1990, Saudi-British relations, passed through four phases: Recognition (1902-1939); Decline (1940-1971); Neglect (1972- 1979); and Strong partnership (1980 until 1991).

In particular, and with these four phases in mind, this chapter will explore the evolving bilateral relationship prior to the end of World War Two and the beginning of the Cold
War, a period when Britain was unquestionably the dominant external party in the Middle East.¹ It will then address the two-way Anglo-Saudi relationship during the Cold War era that began in the late 1940s. This decade marked the real beginning of British decline in the region as the United States (US) replaced it as the major dominant Western power.

This process continued after the 1956 Suez War, and Britain’s subsequent withdrawal from the Arab Gulf in 1971. Indeed, it was only following the rise to power at the very end of the 1970s of Margaret Thatcher and then during her time as prime minister over the course of the 1980s that the relationship once more thrived on the three key fronts – the economic, political and security/strategic.²

The unification of Arabia under the leadership of Ibn Saud was a process that lasted some thirty years between 1902 and 1932. During those three formative decades Ibn Saud defeated several rivals and established himself as a key local source of power and influence.³

Soon after he captured Riyadh in 1902, he initiated contact with the British government. His aim, at the time, was to establish a political link with the mighty British Empire similar to those already maintained by the Gulf Sheikdoms with London. Even at this early moment in Ibn Saud’s march to power the establishment of such a link was crucial for the future founder of Saudi Arabia.\(^4\)

Over the next decade or so, convinced that the British provided the best opportunity to consolidate and extend his power and to overcome the challenges he faced from the Ottoman Empire and local competitors, Ibn Saud looked to the British government for recognition and support.

This quest for cooperation with the British would quickly become a key aspect of Ibn Saud’s policies and actions.\(^5\) However, the various British government offices mandated to deal with the Middle East had various, and not always overlapping, concerns over the emergence and rise of Ibn Saud.

The Government of India had hoped to harness the rising Saudi star to the interests of the British Empire by co-opting Ibn Saud to the British cause. For its part, the Foreign Office was averse to introducing a new, dynamic and inevitably unpredictable player into the already volatile Gulf. As such, its preference was to control and limit Ibn Saud’s influence and to maintain the status quo in the service of British interests. On top of this, there were wide-ranging concerns over the Saud links to Wahhabism and memories of


For all these reasons there was a profound tension within the British policymaking elite over whether or not to underwrite the Saudi position in central Arabia. However, despite these concerns Ibn Saud’s achievements in building up his kingdom at a time when the British were increasingly realizing the strategic and financial value of the Gulf in general would have significant implications for British policy in subsequent decades\footnote{See Clive Leatherdale, \textit{Britain and Saudi Arabia 1925-1939: The Imperial Oasis}. See also Gary Troeller, \textit{The Birth of Saudi Arabia: Britain and the Rise of the House of Sa’ud} (London, Routledge, 1976); John Marlowe, \textit{The Persian Gulf in the 20th century} (London, Cresset, 1962) p.44.}. This became particularly apparent on the eve of World War One, when in 1913 Ibn Saud’s capture of El-Ehsaa raised British concerns over the rising influence of Saud and at the same time left London with little alternative but to accept that he was an increasingly key partner in the defence of their regional interests.\footnote{Gamal Zakaria Kasem, \textit{The Arab Gulf: A Study of United Arab Emirates 1914-1945} (Cairo, El Fikr El Araby Publishing House, 1973, first edition), p.323.}

This became even more true with the outbreak of war between Britain and Turkey in October 1914. This put an end to one key aspect of British policy up to that point that had been problematic in terms of developing relations with Ibn Saud –support for the survival of the Ottoman Empire.\footnote{James Barr, \textit{Setting the Desert on Fire: T.E. Lawrence and Britain’s Secret War in Arabia, 1916-18} (London, Bloomsbury 2007); Roger Ford, \textit{Eden To Armageddon: World War I In The Middle East} (London, W&N, 2009); W.T. Massey, \textit{The Great War in the Middle East: Allenby's Final Triumph} (London, Leonaur, 2009).} Once this occurred, India, the jewel in the British imperial crown, was now vulnerable and Britain tried to befriend Ibn Saud. With this in mind Sir Percy
Cox, from his base in the Gulf, instructed Colonel William Henry Shakespear, who had been consolidating ties in the region, to meet with Ibn Saud as the British special envoy.\(^{10}\)

From Ibn Saud’s perspective this break between London and Constantinople was a major opportunity. Following his victory in El-Ehsaa he had signed a treaty with the Sublime Porte and was now in the enviable position of being courted by the two great imperial powers in the Middle East.

The Ottoman Empire sought the support of Ibn Saud as well as his arch-rival Ibn Rashid as soon as World War I broke out despite the long-time enmity between them.\(^{11}\) Ultimately, Saud’s decision to side with the British over the Turks was not surprising. His ties to the Wahabbi movement made him an arch enemy of the Ottoman Empire as he completely refused to accept the Sultan’s religious leadership over the global Muslim community.

Nor did the British face any of the suspicions or bad blood that Ottoman rule had left behind amongst numerous tribal leaders loyal to Ibn Saud. Perhaps most importantly, the Ottomans, as noted above, had a long relationship with the al-Rashid,\(^{12}\) the sworn enemies and competitors of the Saudis in the sprint to consolidate power in the Arabian peninsula.


This was Abdul Aziz’s overriding concern and he prefered deploying his troops in the cause of defeating the al-Rashid rather than the Turks. In the past the British had refused to get involved in the middle of the Arabian Peninsula, which for them was no more than a poor arid desert torn apart by tribal conflicts. Instead, the British policy aimed at containing Ibn Saud in Nagd after he had established his dominance and consolidated his victories and his power.

Now, the British priority was to get Ibn Saud fully onside in the battle against the Turks. Consequently, Sir Percy Cox entrusted Captain Shakespear, the British agent in Kuwait, to tour the Arabian Peninsula in order to communicate with Ibn Saud with the aim of securing amicable guarantees in favour of the allies. At the same time he was instructed to represent the British interests in Riyadh.

While Ibn Saud was negotiating with Shakespear, there was news that Ibn Rashid had begun advancing towards Nagd. The Turks, wanting to prevent any treaty being made between Ibn Saud and the British, had provided Ibn Rashid with the money and arms, asking him to advance immediately to attack Ibn Saud.

On January 6, 1915, Cox sent a report to the Indian government which included a full summary on Ibn Saud. Ten days later Cox sent another report to India. This document

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argued that all Ibn Saud desired was to protect his lands from the Ottomans. Cox addressed Delhi the next day outlining the conditions he favoured for reaching an agreement with Ibn Saud.

As noted above, the British and Turkish attitudes to Ibn Saud altered notably with the beginning of World War I. From this point onwards the British were in competition with the Ottomans for Saudi affections, and throughout the war they looked to consolidate their lead external position by strengthening ties. In 1915, Ibn Saud went to Darin near El Kotif where he met Percy Cox and signed the Treaty of Darin (El Kotif). According to this treaty, Britain acknowledged Abdel Aziz’s power in Nagd, El Ehasaa, El Gubeil and El Kuteif and its shores and ports, provided they were demarcated at a later time. In addition, this represented an acknowledgement of the Saudi family’s inheritance of these lands.

This was one of the first formal agreements signed by the Saudis and marked a significant departure from the beginning of the century when the British had rejected Saud’s attempts to bind them in agreement. The new treaty provided British support for Ibn Saud against internal and external foe alike, and the British also now positioned themselves as a key supplier of weapons and money to Saudi Arabia, all in return for trading privileges and strategic advantage in the region.

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King Ibn Saud had promised to respect the integrity of the Trucial States, made up of the Arabian sheikhdoms of the lower Persian Gulf. In return, the British recognized his most recent conquests as ‘the countries of Ibn Saud and of his father’s before him’. The British Government also promised to defend the country against any aggression by any foreign power. Under the treaty, the British recognized the independence and territorial integrity of Nejad, and acknowledged Ibn Saud as a Sultan.

The Treaty of Darin was similar in terms of issues addressed and principles and was executed on the basis of the same rules and principles that the British used to deal with the Arabian Gulf Sheikhdoms. In particular, they all shared a clause stipulating that there could be no lease or mortgage of any part of the emirate lands without the consent of the British government.

In the final account, Ibn Saud could not have done better than that due to war conditions and the fact that the British could claim absolute control on the Gulf. Once World War I ended with a British victory over the Germans and Turks, London returned to debating the pros and cons of limiting Ibn Saud’s power to Nagd and El Ehasaa. At the same time the French, Britain’s ally in the war, deposed Faisal Ibn El Hussein who had been nominated by his father as the ruler of Damascus, but they compensated him by making him king of Iraq. They also made his brother king of West Jordan. Thus, the British influence extended from Kuwait to Baghdad and Jordan, and from Shamar and Hegaz to

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the borders of Asseer, while Ibn Saud had only Nagd and El Ehsaa.\(^{21}\)

Ibn Saud dealt with the British very diplomatically both during and after the war. He pretended that relations between them were very good and he waited to seize the right opportunity to alter the relationship to his own benefit. All the time, his priorities were consistent and included in order of priority – the stability and control of the unified Saudi lands; improving the economic resources of the emerging country; increasing and developing military capabilities; providing oversight of the sacred places and improving, as well as developing, pilgrimage facilities; modernizing society in accordance with tradition; and gaining international recognition and legitimacy.

In order to achieve the abovementioned goals, Ibn Saud, even before the birth of the Saudi state in 1932, engaged in international affairs and adopted an approach that he believed would maximse his dealings with all external powers without giving any of them the chance to threaten the sovereignty, safety and security of his kingdom.

There is no doubt that the establishment of the Kingdom of Saudi Arabia in the heart of the desert in 1932 had significant regional and political implications. From the outset, as Christian Helms has put it, King Abdul Aziz ‘faced dangerous external and internal problems. The most thorny danger of these was securing his control from mandate

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authorities and expanding the area of his country as possible as he could'.

The Treaty of Darin had been made in the context of World War I, at a time when Abdul Aziz ruled only Nagd and El Ehsaa. By 1921 his territories had expanded to include the Shamar mountain and El Gulf in the north, and Hegaz in the south. Hence, the 1915 treaty was, by this time, unsuitable for realities on the ground. Moreover, the British now stipulated that the conditions of any new treaty should not be less than those contained in the Britain-Hegaz draft treaty of 1923.

The British negotiator, Gilbert Clayton, Chargé d'affaires in Jeddah, saw that Britain could maintain good relations with Ibn Saud in a better way by executing a simple instrument that placed the emphasis on mutual trust. Clayton started negotiations with Ibn Saud on behalf of the British government and he continued these negotiations until the treaty was eventually signed in Jeddah on 20 May 1927.

In a reminder of inter-governmental tensions a decade earlier over how to deal with Saudi Arabia, now the India Office objected to the treaty and thought that it should have been at least postponed until after the Pilgrimage season in order to avoid any opposition on a major scale. However, the Foreign Office was of the opinion that the government in India should accept the policy adopted by Britain in dealing with Hegaz and Nagd as they were considered independent countries.

Furthermore, Britain did not want to be involved in any religious conflicts in the Gulf.\textsuperscript{25} The “Jeddah Treaty” recognised Ibn Saud’s historical rights, in addition to his right to choose his successor. In turn, King Ibn Saud agreed to maintain positive relations with the Gulf sheikhs without expressly recognising the British obligations to them. As for El Akabba and Maan, he thought that it was not suitable to demarcate disputed borders in a friendship treaty. Instead, he agreed to accept the status quo until such a time as the border problems were settled permanently.

In agreeing to this, Abdul Aziz is considered to be the first Arab ruler to make a treaty in which Britain acknowledged his absolute independence.\textsuperscript{26} Following the signing of this treaty, it was decided that any communication with Abdul Aziz should be from the British Foreign Office directly from its consul in Jeddah, thus ending his formal relationship with the British government via India.\textsuperscript{27}

It was inevitable that an agreement of this scope would result in some bilateral disputes between the Saudi king and His Majesty’s Government (HMG) especially at a time when regional issues and tensions were coming to the fore following the unification of Hegaz and Aseer between 1926 and 1930.\textsuperscript{28}

One source of tension occurred over the status of El Akkaba and Maan. Ibn Saud wanted

\footnotesize{\textsuperscript{25}El Gabry, \textit{Saudi-British Relations 1945}, p.16.}  
\footnotesize{\textsuperscript{26}Saudi Ministry of Foreign Affairs, \textit{A Collection of Treaties} (1341H/-1370 H/ 1922–1951 AD), pp 35-43.}  
\footnotesize{\textsuperscript{27}Mohamed Mursi Abdullah, \textit{United Arab Emirates and its Neighbors} (Kuwait, Dar El Elm Publishing House, 1981).}  
ownership of those two cities as they formed part of Hegaz. However, Britain in the practical application of the theory of divide and rule merged the two cities with the West Jordan Emirate in order to maintain tension and conflict between neighbouring sheikdoms. This issue remained a bone of contention between King Abdul Aziz, the British and Prince Abdullah Ibn El Hussein of Jordan for a number of years.

Despite the benefits which both sides drew from the bilateral relationship, there were also very clear limits to the extent that Britain was willing to go in support of Ibn Saud’s local ambitions. In the battle over Hegaz, for example, a clash between two Muslim leaders, the British were determined to remain non-aligned.29

This was perceived to be especially necessary in the context of British interests in India as it was feared that any British support for Hussein on this issue would provoke the anger of the important Indian Muslim community, which considered his coalition with Britain against the Ottoman Empire after World War I as a blow to Islam.30

El Sharif Hussein asked Britain to support him while the Saudi troops were heading for Hegaz,31 but Britain refused and instead expressed only two main concerns on the matter. Firstly, it was adamant that there could not be any difficulties during the pilgrimage season as a result of the conflict. Secondly, it expressed its determination to secure the safety of the European communities in Jeddah so that no pretext existed for any other

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European country to interfere in the region and challenge British dominance under the guise of coming to the aid of their nationals. 

Interestingly, and in a similar vein, when almost a decade later in the late 1930s, Ibn Saud sought British security guarantees to consolidate his position against the Italian presence then building up in Yemen, he failed to obtain the assurance he wanted.

According to Clive Leatherdale, during the 1936 Palestinian strike (a key event in what was popularly known as the Arab Revolt), King Ibn Saud became highly concerned about Palestine. In April, and again in June, 1936, Ibn Saud contacted the British government explaining that he was in a difficult position in relation to the Palestine issue.

On 23 June 1936, Saudi Arabia suggested to Britain that it should use its influence to mediate between the British government and Palestinian Arabs in order to bring an end to tensions on the ground. Ibn Saud also suggested that Saudi Arabia, along with Iraq and Yemen, could jointly appeal to the Palestinians to stop the ‘campaign of violence’. This proposal was to foreshadow subsequent Saudi attempts in the decades after Israel was established in 1948, to work with western partners to find a solution to the festering and apparently insoluble Arab-Israeli conflict.

The British government welcomed Ibn Saud’s proposal enthusiastically and Ibn Saud succeeded in his mission to end the Palestinian strike. Subsequently, on 28 March 1937,

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he called for the creation of a Palestinian national government in which the rights of minorities, including those of Jews, would be protected under a national pact. Ibn Saud also exerted pressure on Palestinian leaders to participate in the key 1937 discussions on the future of their country, despite significant reservations about entering into any negotiations with either the British or the Zionists at this highly tense time.

If tensions between Arab and Jew in Palestine were providing an opportunity for Anglo-Saudi co-operation, the oil issue was increasingly pushing them apart. Following King Abdel Aziz’s annexation of Hegaz in 1925, he was very keen to put his vast kingdom in order before he established any foreign political relations. No western powers but Britain had any real interest in the Arabian Peninsula at the time as no other Great Power had to worry about protecting its transport route to India.

While ties with Saudi Arabia at the time may have figured little in the overall international strategy of a global power like Britain, the relationship was of a considerable, arguably paramount, importance in enabling Ibn Saud to maintain power and strengthen his regional position, through the period during and after the First World War and up to the Second World War. The flow of support, in finance and weaponry, was limited, but it was nonetheless crucial to the coherence and stability of the Saudi Kingdom.

The relationship was, however, also of some regional importance to Britain. It was central to ensuring that the British-protected territories in neighbouring countries were

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not subject to subversion from across the borders. As was evidenced during the 1936 strike in Palestine the relationship with Saudi Arabia even developed some significance with regard to the burgeoning Palestine problem.

Indeed, while Britain may have been a key force behind the formation of the Saudi state, the rise and consolidation of the Saudi state resulted from a complex process that cannot be traced to any single external factor. Moreover, the situation changed completely after the discovery of oil in the eastern? region of the kingdom.  

The United States had a limited involvement in the World War I in the Middle East, even refusing to declare war on Turkey for the duration of conflict. It chose to excuse itself from negotiations on the Middle East post-war settlement imposed by the other victorious Allies. Believing that political involvement in the region was morally distasteful and strategically unnecessary for a Western Hemisphere power, the US willingly deferred to Britain over a settlement-even refusing to be considered as a potential mandatory power for Armenia.

This allowed Britain to add Transjordan, Palestine, Iraq (Mesopotamia), and the Hejaz to its pre-war possessions of Egypt and Cyprus, in the process establishing itself as the paramount power in the region in the interwar period. As such, between 1919 and 1939, as in the pre-war period, the impulse toward non-intervention won out. The primary US interest continued to be limited to protecting and developing cultural and economic ties

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and engaging in humanitarian endeavours, as evidenced by the leading role taken by Ambassador Henry Morgenthau in overseeing the Turkish-Bulgarian population exchanges with Greece in the early 1920s.

Given all this, it was hardly surprising that after World War I, it was natural for Britain to refuse the presence of any American companies in its “sphere of influence”. The 1920s saw the first mention of Arabian oil in US State Department documents. The first oil concession in the El Ehsaa region went to Frank Holmes on behalf of a company he represented in 1923.\(^{37}\) But this concession was of no value and it was subsequently cancelled. At the same time the Standard Oil Company of California (SOCAL) had a great interest in El Ehsaa’s oil due to its oil exploration in the region for the first time in Bahrain in 1930.

Likewise, British companies expressed their desire to get a concession.\(^{38}\) The Anglo-Persian Oil company in London issued instructions to its workers in Abadan to do their best to get the El Ehsaa concession. Moreover, the Iraqi Oil Company representing British oil interest communicated several times with Sheikh Hafez Wahba, an advisor of King Abdul Aziz, regarding the matter.

The Saudi-American-British negotiations that followed were very complex. For King Abdul Aziz they were not only about oil. They were also about several other issues


including American recognition of the Saudi Arabian Kingdom, and military and
diplomatic relations which were becoming increasingly vital to securing his rule. As a
result, King Abdul Aziz considered oil as an instrument he could use as leverage against
both the British and the Americans.39

Ultimately, SOCAL successfully outbid the Anglo-Persian Oil Company for the Saudi
Arabian oil concession.40 Following the signing of a concession in 1933 on terms
previously rejected by the British, the Americans began exploration and excavation and
discovered the first commercial well in El-Dammam in 1938.

The discovery of commercial quantities of petroleum in the east of the Kingdom of Saudi
Arabia in 1938 resulted in American businessmen based in the region, notably in Egypt
and Aden, lobbying Washington to establish stronger relationships with the Kingdom.
But prior to the war, oil was viewed as a commercial rather than a strategic issue. In 1939,
for example, Secretary of State Cordell Hull was of the view that US interests did ‘not
warrant representatives’ in the Persian Gulf.

In July 1939 then US President Franklin Roosevelt requested reports from his
representatives in Cairo and Baghdad, as well as from other capitals in the region.41
Petroleum came to occupy a special position of interest for the makers of political
decisions in the US in the context of World War II.

39 Steven G. Galpem, Money, Oil, and Empire in the Middle East: Sterling and Postwar Imperialism, 1944-
1971 (Cambridge, Cambridge University Press, 2009); Ivan L.G. Pearson, In the Name of Oil: Anglo-
American Relations in the Middle East, 1950-1958 (Brighton, Sussex Academic Press, 2010); Marian Kent,
40 Aldamer, Saudi Arabia and Britain changing relations 1939-1953, p.36.
By 1943, attitudes had profoundly changed: the U.S. Joint Chiefs of Staff informed the administration that in the absence of short-term energy self-sufficiency, the United States would require external sources of oil for its future strategic needs. As Roosevelt declared in the same year, this turn of events made defending Saudi Arabia vital for American national security.42

This marked the early period of a new regional strategic dynamic – competition between the British and Americans over access to, and influence over, Saudi Arabia in order to have access to the country’s massive oil reserves.43

In line with this appreciation of the nascent importance of Saudi Arabia, Washington adopted some procedures, including raising the degree of diplomatic representation in Saudi Arabia, to support its interests. The El-Zahran agreement that granted the US the right to establish a military air base in the El-Zahran region, was considered evidence of to the extent of the evolving relationship with Washington in the economic, political and military spheres.44

42 Al-Nirab, Saudi American relations, p.175.
Events during the wartime period of the 1940s, and in the early Cold War years, saw the United States rapidly replace Britain as Saudi Arabia’s main international partner. In turn, it became increasingly difficult for Britain to challenge the US position in the defence of its local interests.

However, London did continue to prioritise two objectives. The first was the, at times obvious, exploitation of American power for its own interests. The second was the preservation of the relationship with the US in the region and the avoidance of political clashes that militated against Western interests in general and British interests in particular. 

In the corridors of power in Westminster and across British diplomatic bases in the region there was growing consensus on these two issues. All the more so as events such as the agreement between Saudi Arabia and the Arab American Petroleum Company (ARAMCO) on 30 December 1950 made it increasingly obvious that the US now dominated Saudi oil interests. It also highlighted for all to see the deepening impotence of Britain in influencing the policies of a key regional state.

Tensions generated over oil rights in Saudi Arabia, which were fuelled by the nationalization of the Anglo-Iranian oil company, Britain’s largest oil interest in the region in the same period, were linked to, and accompanied by, tensions over territorial disputes in Buraimi and Khor Al-Oaid. Extending over an area of approximately 35,000

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45 Niblock, Saudi Arabia, p.29.
46 Walid Hamdy El-Azamy, American Saudi relations (Cairo, Al-Ahram, 1992), p.54.
47 Ibid., p. 83.
square kilometres in the southeast of the Arabian Peninsula, the Buraimi Oasis was made up of eight villages. Six of the villages were claimed by the then Sheikhdom of Abu Dhabi, which was under British protection. The remaining two were under the jurisdiction of the Sultan of Oman and Muscat, who had an agreement with Britain, under which the latter was responsible for the foreign relations and the defence of his territory.

The Saudi demand for sovereignty over this region, which was first raised in 1949, was based on the inhabitants of the Oasis owing allegiance to the Saudi rulers of Najd in the eighteenth and nineteenth centuries. Nor had the political allegiance of the area in question been determined by the 1927 Jeddah agreement.

Sporadic arbitration and negotiations over the years did not lead to a settlement of the dispute as all parties concerned, including the British, were aware of the potential oil deposits in the territory and did not want to concede their rights prematurely.

There were also attempts to solve the matter by force that placed Riyadh and London on opposite sides. In 1952 for example, the year before Abdul Aziz died and was replaced by his son King Saud Ibn Abdul Aziz, a Saudi Arabian force entrenched itself in the disputed area only to be expelled in 1955 by an Omani force under British command.48

King Saud, Ibn Saud’s successor on the Saudi throne, differed from his father in engaging in local politics by signing pacts with both Egypt and Syria in 1955.

This move was in direct response to the Buraimi Oasis dispute that had set the British and

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the Saudis on a diplomatic collision course. Both Egypt and Syria were at the forefront of the ‘confrontationist’ Arab states, with a well-earned reputation for anti-Western and anti-British sentiment.

In July 1956, Egypt’s Gamal Abd al Nasser, the champion of pan-Arabism, nationalised the Suez Canal. Both the French and British governments were infuriated by this move and viewed it as a challenge to their economic security and prestige (Britain was responsible for the military defence of the canal and felt humiliated by the Egyptian action; France viewed Nasser as the major patron of the anti-French rebels in Algeria and both saw the act as a blow to their international standing as Great Powers). As such their discussions on how to respond resulted in a French approach to Israel regarding the possibility that the Jewish state might participate in a military action to retake the canal.

In the last days of October 1956 Israeli troops crossed the Egyptian border and within a week had overwhelmed Sinai. On 5 November French and British forces landed in Egypt, ostensibly to separate the warring parties, but in reality as part of a pre-arranged plan, for which the Israeli action provided a pretext to force Nasser to denationalise the canal.

The scheme was brought to a halt by Soviet and American pressure on France, Britain and Israel and the whole affair had major implications for relations between the United States and its foremost western allies Britain and France; as well as for Soviet

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involvement in the region; not to mention the standing of France and Britain in the Middle East.

Its consequences also reverberated in the Anglo-Saudi bilateral context. On 6 November 1956, Saudi Arabia broke off diplomatic relations with Britain. Early the following year Riyadh made their reinstatement conditional on the settlement of the Buraimi dispute. This was doubly problematic for Britain because in the wake of the Suez crisis it had looked to expand its foothold in the Gulf via marine and air bases in Aden, Bahrain and El-Sharika and poor ties with Saudi Arabia militated against this objective.  

In November 1958, the Saudi government claimed the territory of Khor al-Odaid, recognized as Abu Dhabi’s sovereign territory by Britain, which it said had been illegally occupied by an Abu Dhabi military force under British command. In November 1959 the Saudi Prime Minister, Amir Faisal, declared that Saudi Arabia had further territorial claims in the south and southeast of the Arabian Peninsula.

However, though engaging in tough rhetoric there was also a real desire on the Saudi side to thaw relations with London. King Saud appealed to the United Nations secretary-general, Dag Hammarskjöld, at the end of 1958 to use his influence to resolve the dispute between Britain and Saudi Arabia. In the summer of 1959 Hammarskjöld invited both sides to unofficial talks, at which there were efforts to settle the dispute.  

The following December, Faisal implied that diplomatic normalization would not necessarily demand a resolution of all issues in dispute. Rather, he concluded, it would ‘depend on the British Government’s willingness to arrive at a satisfactory basis with us for the opening of negotiations’ on the disputed area.

Diplomatic ties were restored on 16 January 1963, when it was announced that the two countries had decided to continue their efforts to find a mutually acceptable solution to the Buraimi dispute under the personal supervision of the UN secretary-general. However, after the British withdrawal from the Gulf in the early 1970s, Buraimi was dropped by Edward Heath’s Conservative government in Britain, which refused further involvement in the issue despite the then Saudi King Faisal’s strictures about demanding control of the oasis.

Although the British Empire was in gradual decline in the wake of the Second World War, the British presence was seen in terms of a new British role in the post-war world. The Labour government elected in 1964 emphasised that role, and Harold Wilson’s government saw a connection between a British world role and warm relations with the United States, which at the time was embroiled in the Vietnam war.

In his discussions with British officials, King Faisal, who had replaced Saud in 1964, looked to reassure the British government that Saudi Arabia had no designs, territorial or

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otherwise, on its smaller neighbours in the Gulf. During their conversations, Faisal informed the British representative that he had told his fellow Gulf rulers that they could not rely on the British remaining in the region for ever. Morgan Man, the British ambassador, played down the likelihood of British withdrawal any time soon but Faisal was openly sceptical of such assurances.  

The British government issued a political statement on 16 January 1968 in which it declared its willingness to withdraw from east of Suez, including the Arab Gulf at the end of 1971. The British decision marked the end of more than a century and a half of British dominance in the Gulf and the opening of a new chapter in its history. For the first time in the modern era the Gulf states had to assume responsibility for the security of the area against regional and international threats.

For all their promises that they would abandon the policy of retreat on taking power, following their surprise victory in the June 1970 elections, the Conservative party in Britain continued with the Labour decision to leave the Gulf. British Foreign Secretary Sir Alec Douglas-Home embarked on discussions with a number of Gulf rulers about their attitude to the proposed British withdrawal from the region.

With the exception of Qatar, all the smaller Gulf sheikdoms had expressed concerns over

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the British withdrawal from the region after 140 years in 1971, with Sheik Rashid of Dubai frankly explaining that ‘the whole coast, people and rulers, would all support the retaining of British forces in the Gulf even though…they may not give a direct answer out of respect for the general Arab view’\textsuperscript{59}. For their part, the four big powers – Iraq, Kuwait, Iran and Saudi Arabia – were not inclined to support a continued British presence after the 1971 deadline.\textsuperscript{60}

With this message from the region ringing loud and clear and ongoing financial constraints at home, the new British approach to the region, as evidenced in Anglo-American talks on the Gulf in mid-1972, was to retain as much influence as possible in the region by cultivating a new British role and creating a visible British presence in the region in the absence of its military bases. This would be defined by adopting a more public engagement and profile in the diplomatic and political affairs of its Gulf allies than it had pursued prior to 1968.

The US sought to encourage a continued British presence east of Suez on a number of levels. Notably, in the context of this thesis, they looked to give the British preferred access to the Saudi arms market. As Petersen has noted, Saudi Arabia had concluded an agreement in December 1965 with a group of British and American firms for the purchase of a broad range of military equipment. This included an air defence system that included 40 British Lightning jet aircraft, American Hawk surface-to-air missiles, British training and support services, and radar and communications equipment. The total value

\textsuperscript{59} London Times, 14 July 1970
of the package was US$400 million and, as Petersen notes, it was the most valuable contract that Britain had won from the Middle East at that time.\textsuperscript{61}

Despite some problems with the air equipment provided by Britain, cooperation in the military equipment sphere, as well as the financial opportunities that they offered Britain went some way to consolidate and even boost the Anglo-Saudi relationship in an era of flux.

However, once more strategic issues impinged negatively on trade cooperation, the British withdrawal from Aden undermined such relations. Since the restoration of diplomatic relations in January 1963 mutual cooperation had been centred around the issue of Aden and Faisal’s state visit to Britain in May 1967 celebrated this joint effort.

Following Nasser’s defeat in the Arab-Israeli Six Day war of June 1967, the Egyptian-sponsored anti-Saudi threat in Yemen was reduced. This influenced the British government’s decision to speed up its withdrawal from Aden.

However, from a Saudi perspective, Britain had undermined stability and opened the door for Arab radicals when it announced shortly after leaving Aden that it would quit the Persian Gulf as well. All the more so as only a few months previously it had reassured

the Saudi King that it had no such intention.  

Nevertheless, one development that reminded Faisal that Britain still offered much value was the assistance that Airwork, one of the companies involved in the Anglo-American arms sale, provided in countering an insurgency across the Saudi border from the People’s Republic of Southern Yemen in late November 1969.

As noted earlier, in the first half of the 1950s, the British fought against Saudi troops to protect the oasis of Buraimi, an area believed at the time, somewhat erroneously, to contain vast oil deposits. At the end of that same decade, the British once more supported the sultan of Oman against tribal forces in the interior by deploying the Trucial Oman Scouts, troops from Aden, and the Royal Air Force (RAF).

From the mid-1960s onwards the British played a central role in pacifying the Dhofar rebellion that started amongst disgruntled mountain tribesmen in 1962. In fighting this insurgency in Dhofar, Oman received practical support, in terms of troops and material supplies from Britain, as well as the Shah Iran. It also received money from Abu Dhabi and Saudi Arabia.

The withdrawal of Britain from Aden in November 1967 boosted the forces of secular radicalism, leaving power in the hands of the Marxist National Liberation Front. In Oman,  

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the Dhofar Liberation Front quickly became the Popular Front for the Liberation of the Occupied Arab Gulf. 66

Britain was fighting in Dhofar for reasons beyond Oman. These included stopping Soviet forces from gaining a foothold in the region, protecting its own strategic interests including the Masirah airfield, as well as solidifying ties with both Saudi Arabia and Iran, the two key pro-western state in the region.67

In August 1971 Faisal warned the British ambassador in Saudi Arabia, Willie Morris, that as far as Dhofar was concerned it was vital that the British ‘deal with the situation rapidly’.68 Ultimately the war ended in 1975, following major interventions by both Britain and Iran.69 This highlighted to all involved both the on-going importance of the British role in the region, as well as the challenge that Saudi Arabia faced in terms of matching the influence and capabilities of its neighbour and competitor Iran.

Britain supported the US policy established during the Nixon presidency of the early 1970s of elevating Saudi Arabia and Iran as the twin pillars of western security in the Gulf through a combination of of Iranian military power and Saudi financial might, a potent mix that proved invaluable in defeating the Dhofar rebels in Oman.

On the eve the 1973 war and oil crisis Saudi Arabia had shown a new willingness to play

68 Ibid., p.121.
a lead role in the diplomacy of the Middle East. In August 1973, for example, the *New York Times* ran an article noting how Saudi Arabia’s ‘diplomatic influence’ was rising and how the country was more and more the ‘power behind the scenes in the Arab World’.  

In the wake of the October 1973 Arab-Israeli War, Saudi Arabia, buoyed on by the massive rise in oil revenues became more willing than ever to abandon its traditional backseat in regional affairs and take a lead in Arab diplomacy and security issues outside the Persian Gulf.

This benefited the US twin pillar policy during the 1970s as Saudi Arabia’s willingness to play a much more active role complemented the more militarily focused Iranian aspect of the twin pillar policy. At least this was the case until the Iranian Revolution of 1979 put an end to this US strategy for the region and posed a major worry for Saudi leaders who feared the Iranian threat.

The October 1973 War began when the armies of Egypt and Syria launched a surprise attack on Israel in order to reclaim territory captured during the 1967 War. By the middle of the month the Arab Gulf States and other Arab oil producers implemented the oil weapon, announcing a rise in the price of oil and a total oil embargo against the US,

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Portugal and The Netherlands for their support of Israel. After further cuts in oil production, the price soared, and with it rose the power, wealth and influence of Saudi Arabia, the dominant Arab oil producer. In 1973 Saudi Arabia produced almost double the amount of oil of any other country so it got twice as much of the money when the price shot through the roof. Revenues increased from US$4.3 billion in 1973 to US$53 billion in 1976.

One noticeable aspect of this was the growing Saudi capacity to get major western states, including Britain, to take into consideration the Arab political position on the Palestine issue. When the oil embargo began Britain was placed on the list of ‘friendly’ nations. This influenced its traditionally pro-Israeli stance in favour of the Arab position. Subsequently, the Heath government warned the US against even considering an invasion of Saudi Arabia to protect western oil supplies.

In 1981, Anglo-Saudi relations witnessed a new turn. During a visit to Riyadh, Margaret Thatcher, who had recently become British prime minister, admitted to King Khalid, who had replaced Faisal in 1975, that Britain had neglected the area after the withdrawal of

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British troops from the Gulf in 1971. She also promised that she wanted to put this right and emphasised Britain’s renewed interest in Gulf security.\textsuperscript{76}

The King and Mrs Thatcher spent time discussing the Middle East and the Soviet presence in Afghanistan in what was reported to be a ‘very good start’ to the visit.\textsuperscript{77} The next day, Thatcher met with Fahd alone, without King Khalid in the room. Free of the obligation to defer to his brother, Fahd talked for an hour, setting out a clear vision of foreign affairs and the role he wanted Saudi Arabia to play and Thatcher came away impressed.\textsuperscript{78}

Thatcher’s visit to Riyadh coincided with the beginnings of the Gulf Cooperation Council (GCC).\textsuperscript{79} It also began a new chapter in the history of mutual relations between the two kingdoms. In July 1981, Britain’s surprise move to drop the price of a barrel of oil by US$4 from its US$39.25 price was partly motivated by a desire to realign British oil-pricing policy with the moderate stance of Saudi Arabia and in so doing strengthen the Saudi bid to reunify oil prices by forcing countries like Libya to drop their price to the Saudi’s US$32 a barrel range.

Interestingly, King Khalid, who was now increasingly viewed as the unofficial head of

\textsuperscript{76} The Sydney Morning Herald, April 21, 1981.

\textsuperscript{77} The Herald, April 20, 1980.

\textsuperscript{78} On Crown Prince Fahd’s worldview see his interview in As-Safir (Beirut), reprinted, Qatar News Agency, 9 January 1980.

the six GCC states, led a high-powered delegation to Britain days before the British price drop, where he conferred not only with the Thatcher government but also with Britain’s most powerful industrialists.

From its first days in power the Thatcher government was determined to increase its share of the lucrative Saudi arms market. The British were under no illusion that success in this sphere had a political aspect. France for example, had given assurances on the question of Palestine during King Khalid’s visit to Paris in May 1978, and it was widely believed that this had been central to Paris securing a £1.5 billion naval contract at the time.

For their part, and in full awareness of this, British officials pushed hard to sell arms to Saudi Arabia. In June 1981, King Khalid and Prince Sultan visited Britain, the climax of the Thatcher government’s 18 month campaign to repair relations after the controversial documentary film “Death of a Princess” was poorly received as anti-Saudi propaganda. High on the agenda was the renewal of the former BAC, or what became known as BAE, deal converting, servicing and training the Kingdom’s Lightning and Strikemaster aircraft.

Throughout 1984 and 1985, negotiations were also held over what would ultimately become the Al Yamamah deal. Britain faced competition from France, itself looking to

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sell Mirage 2000 aircraft to the Saudis, partly through offering a better price and earlier delivery dates than Britain. In the course of fending off the French challenge, British officials including Defence Secretary Michael Heseltine, had to face tough questions over Britain’s record on Palestine, and also had to justify why France had a more sympathetic approach to the issue in the past.

For their part, the Saudis, as far as the Palestine issue was concerned, wanted the British government to secure the Reagan administration’s acceptance of the principle of self-determination for the Palestinians. It was only at the final moment, when Mrs Thatcher broke short her holidays to join negotiations with the Saudis in Switzerland, that Britain won the contract.  

On 26 September 1985, Heseltine and Prince Sultan bin Abd el-Aziz, the then Saudi Defence Minister initiated a Memorandum of Understanding (MoU). Heseltine said that the sale included 48 Tornado IDS fighter-bombers built by a West-German-British-Italian consortium. It also included 24 Tornado ADV fighter jets, 30 British Hawk training aircraft, and 30 Swiss Pilatus PC-9 trainers. In mid-1988, it was announced that as part of this huge transaction, Saudi Arabia would acquire Tornado fighters and Pilatus PC-9 trainers built in Switzerland and outfitted in Britain.

During her time as prime minister Mrs Thatcher was a key figure in promoting the British

82 Ibid., p.218  
83 Associated Press, September 27, 1985  
defence and aerospace industries. She called it ‘battling for Britain’ and her biggest battle was with Saudi Arabia between 1985 and 1988 over the Al-Yamamah contract. This was one of the most significant arms deals in history, worth an estimated £40 billion to BAE and other British companies.

This aggressive policy towards selling arms to the region was subsequently condemned in the Scott Report of 1986. But it was an important foundation for Saudi-British relations as from the beginning of the 1990s onwards, as the next chapter will show, the bilateral relationship evolved greatly in the context of military partnership in the face of anti-Western and anti-Saudi regional forces.
Chapter Two

Cooperation in the Face of Conflict: The Iraqi Invasion of Kuwait, 1990-91.

Saudi-British relations exhibited a clear convergence and consistency in response to the Iraqi invasion of Kuwait in 1990 and the subsequent war in 1991. This chapter will compare and analyze the reactions in the two countries from day one of the invasion in August 1990 to the Iraqi withdrawal from Kuwait in late February 1991. In doing so it will examine the bilateral relationship in terms of the successful coordination of their involvement in the political, diplomatic and militarily aspects of the conflict.

The lengthy Iran-Iraq war ravaged both participants between 1980 and 1988. It also terrified the neighbouring Arab States of the Persian Gulf that made up the Gulf Cooperation Council (GCC). But militarily, on its conclusion Iraq emerged as a much stronger power than its archrival Iran. Its regular army quadrupled in size to nearly one million soldiers, and the number of aircraft under its control increased by well over one-third.

This created a significant strategic imbalance in the region as the Iraqi military was now not only a major player in local terms but also a global military giant. In the

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wake of the war, Iraqi president Saddam Hussein continued to be preoccupied by the threats he believed were still posed by Iran and Israel. He was also determined to consolidate his dominance of the Gulf region in the post-war era, thus approving a planned military budget for 1990 of US$12.9 billion.

Despite putting aside so much money for the purchase of military hardware so soon after the end of its war with Iran, in economic terms Iraq was very vulnerable by 1990. The war with Iran had taken a great toll financially and estimates of the cost of post-war reconstruction were between US$400 and US$450 billion. At the same time debt was more than US$40 billion and the country only had three months of cash reserves as it struggled to battle a domestic inflation rate of almost 50 percent.

Neighbouring Arab Gulf countries, in particular, Kuwait and Saudi Arabia were essentially unsympathetic to Saddam Hussein’s calls for financial assistance and a downward adjustment in oil production to drive up the price of oil. The Kuwaitis also refused to provide Baghdad, which presented itself as the defender of the Arab Gulf from Iran and Israel, with massive funds (on top of the billions the Gulf states paid to Iraq during its fight with Iran) to alleviate its post-war economic problems.

But these financial tensions aside, the reality was that Iraq had long viewed Kuwait as part of its historic territory and disputes went back to the early 1930s and Iraq’s

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independence from Britain, when then King Ghazi called for Kuwait to become part of Iraq.

Subsequently Abd al-Karim Qassim, who took power when he overthrew the pro-western Iraqi monarchy in 1958, called for the same. In 1961, and then again in 1973, a decade after the Ba’ath party had overthrown Qassim and taken power, Iraqi troops had crossed the border with Kuwait only to withdraw in the face of British pressure.

By the time that the Iran-Iraq war ended, Iraq had become preoccupied with both the territorial claim to Kuwait and the belief that Kuwait’s oil industry was damaging Iraqi interests. As Iraq’s foreign minister, Tariq Aziz, explained shortly after the invasion ‘Baghdad had to resort to this method because its economic situation had deteriorated and it had no alternative’.8

On 2 August 1990, after being deployed in the previous weeks on the Kuwaiti border, Saddam’s army invaded Kuwait, its smaller but far wealthier neighbour. Saddam Hussein’s invasion and annexation of Kuwait and the subsequent war between Iraq and an American-led international coalition that included Saudi Arabia and Britain, opened a new chapter in the Anglo-Saudi relationship.9

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Saddam Hussein was motivated to invade Kuwait by a desire to incorporate the kingdom’s massive oil wealth into Iraq at a time when the Iraqi economy was in turmoil following eight years of war with Iran.¹⁰

Immediately, the Kuwaiti Emir and his family fled to Saudi Arabia as the Iraqi government informed the world that it had intervened in Kuwait in response to a request from the “Democratic Government of Kuwait”, which it claimed had overthrown the ruling Al-Sabah family. In response, the US and the UK froze Kuwaiti assets; the US also froze Iraqi assets and suspended the purchase of Iraqi oil.¹¹

On at least three occasion in the days following the invasion of Kuwait, beginning on August 3, Iraqi forces entered Saudi territory. Iraq explained these incursions as ‘mistakes’.¹² Nevertheless, the invasion and Iraq’s actions once it occupied and subdued Kuwait created the fear in London and Washington that the invasion and occupation of Kuwait was a first step toward an Iraqi attack on the much bigger prize of Saudi Arabia.

This was especially so as Iraq and Saudi Arabia had experienced repeated border tensions over the previous decades.¹³ Moreover, such an ambitious Iraqi move, if successful, would have given Saddam control over major strategic facilities as well as more than half the world’s oil resources, a disastrous strategic outcome to the crisis.

Moreover, Iraq’s potential future nuclear capability that had been evolving since the building of the Osirak reactor in the 1970s had been a constant concern to British policymakers even after Israel had destroyed the facility in 1981. There was also consensus among British policy makers that any successful occupation of Kuwait or a move into Saudi Arabia that went unchallenged would provide Iraq with the financial opportunity and the strategic power to build a nuclear capability unchallenged. In particular, there was a fear that any Iraqi nuclear programme combined with Saddam’s dominance of his Arab Gulf neighbours would pose a direct threat to regional stability and the safe and constant supply of Gulf oil.14

Interestingly, over thirty years prior to Saddam’s invasion of Kuwait, on the eve of Kuwaiti independence in the early 1960s, the then British government had drawn up plans in case Iraq did act on its threats and invade Kuwait. At that time planners in Whitehall believed that it would probably be easier to dislodge Iraqi forces from Kuwait after they had invaded than to attempt to block an invasion as it happened.15

Saudi Arabia supported Iraq in its war against Iran between 1980 and 1988. Early on in the conflict Britain had expressed its determination to stay neutral but from the very beginning the British, like Saudi Arabia, provided support to Saddam Hussein’s Iraq.

According to British government documents released in December 2011, Margaret Thatcher’s government was covertly supplying military equipment to Iraq as early as 1981, including Hawk fighter jets. In March 1981, Thatcher was informed by

officials that contracts of over £150 million ‘have been concluded with Iraq in the last six months’.

In turn, Mrs Thatcher wrote by hand on confidential documents that she was ‘very pleased’ by the progress being made in supporting Iraq against Iran and earning income in the process. In fact Thatcher and her senior ministers had been responsible for authorizing the guarantees needed for sales to go through via a confidential “national interest” provision that covered military as well as civilian sales to warring nations. 16

Despite this history of support and cooperation with Iraq, in 1961 the British had guaranteed Kuwait’s sovereignty against Iraqi threats. 17 Now, in response to the invasion of Kuwait, Britain was in no doubt that this unprecedented Iraqi act of aggression must be stopped. Prime Minister Margaret Thatcher was philosophically committed to standing up to bullies, going so far as to say that the need to stop aggression in international affairs was the ‘lesson of this century’. But she also acknowledged the role that oil played in the need to stand up to Iraq. ‘Oil’ she explained, ‘is vital to the economy of the world. If you didn’t stop him [Hussein], and didn’t turn him back, he would have gone over the border to Saudi Arabia, over to Bahrain, to Dubai…and right down the west side of the Gulf and in fact could have got access and control of 65% of the world’s oil reserves, from which he could have blackmailed every nation. So there were two things, aggressors must be stopped and

turned back, and he must not get control of this enormously powerful economic weapon’. 18

Under Margaret Thatcher and then her successor John Major, the British government stood side by side the George H. Bush administration in Washington and backed Bush’s strategy of building a global alliance to oust Saddam from Kuwait. 19 This British support was in part responsible for the Bush administration’s success in assembling an unprecedented international coalition under its command.

On 2 August, the day of the invasion of Kuwait, Thatcher was in Aspen, Colorado, and immediately issued a call for ‘concerned international action to force Iraq out of Kuwait’. On the next day, on her way back to London, she made an unscheduled stop in Washington to reiterate her total backing of Bush.

In the following days and weeks Thatcher led the call for a naval blockade against Iraq and, like the US president, she argued that there was no need for a United Nations (UN) resolution granting authority to use force to remove Saddam from Kuwait because the coalition forces already had such authority. She reportedly warned Bush in their discussions in both Aspen and Washington that if the Iraqi withdrawal was ‘not swiftly forthcoming, we have to consider the next step’. 20

At the time, and since, there has been widespread speculation that it was Thatcher’s forcefulness and encouragement (in particular, her admonition to the US president

that ‘this was no time to go wobbly’) that provided Bush with the resolve needed to take a firm stand on Kuwait and to rebuff calls for a compromise agreement that would avoid military conflict.\(^{21}\)

Though this is debatable there is no doubt that the Gulf crisis was Margaret Thatcher’s final major engagement on the world stage.\(^{22}\) As the crisis developed in the Gulf her government was facing serious difficulties. In March 1990, polls showed that only 20 percent of the public was satisfied with her performance. On November 28, 1990, after a period in office that transformed her country both at home and abroad, Thatcher tendered her resignation to the queen.\(^{23}\)

Her replacement as prime minister was John Major, the then 47-year-old Chancellor of the Exchequer.\(^{24}\) He immediately inherited the continuing crisis in the Gulf.\(^{25}\) British policy towards Iraq and Kuwait did not change under Major. Instead, he moved to double the size of the British gulf force in preparation for possible war.\(^{26}\)

In early January 1991 Prime Minister Major travelled to Saudi Arabia. During his visit King Fahd expressed concerns over the European capacity to work together to defeat Iraq. Both Major and Thatcher before him shared this view and had strongly criticized the other Community members, Germany in particular, for its lack of determination and support for the US-led anti-Saddam coalition.

\(^{26}\) *Los Angeles Times*, November 23, 1990.
At this point in time it was unclear if France would participate in the coalition against Iraq and besides Luxembourg, only The Netherlands, a small country that had experienced invasion and occupation by a larger neighbour more than once in its history, openly joined the British inside the European Community, by sending three warships to the Gulf in mid-August 1990.27

Major assured his Saudi host that Britain was fully committed to removing Saddam from Kuwait.28 In response, King Fahd was impressed by Major’s open determination to carry on Thatcher’s commitment to Kuwait. But Major also assured the Saudis that once the crisis ended and Saddam’s troops had left Kuwait, British troops would leave the Kingdom promptly. He also expressed the wish for a British role in any post-war security arrangement in the region, as well for a new beginning in cooperation between British and Saudi forces especially in the areas of equipment and training. 29

As noted above, Saudi Arabia had been the leading backer of Iraq during its war with Iran in the 1980s. Twice during that decade Saddam had approached King Fahd with a proposal to cooperate in order to dominate the smaller Arab Gulf sheikdoms between them.30 Saudi Arabia, the main promoter of the establishment of the Gulf Cooperation Council (GCC) in the early 1980s, had not embraced such proposals.31

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29 Ibid., p.222.
31 Rouhollah K. Ramazani and Joseph A. Kechichian, The Gulf Cooperation Council: Record and Analysis (Place, University of Virginia Press, 1988), p.2. The founding of the Gulf Co-operation Council officially took place between 4 February and 26 May 1981. On 4 February the foreign ministers of Saudi Arabia, Kuwait, Bahrain, Oman, and the United Arab Emirates (UAE) met in Riyadh, and decided to set up a co-operation council among their states, to form secretariat general for this purpose, and to hold periodic meetings at the summit level and the level of foreign ministers. Prince Saud al-Faisal Saudi foreign minister said in a statement that the founding of the organisation was attributed to such considerations as “special relations,” “joint characteristics,” “joint creed,”
Its leaders did, however, look to consolidate bilateral ties and in 1989 had signed a non-aggression pact with Baghdad.

Even during the first six months of 1990 as Saddam’s attacks on the Gulf States, including Saudi Arabia, became increasingly harsh, Riyadh had looked to broker a peaceful resolution of tensions between Iraq and Kuwait in the first part of the summer of 1990. This became most apparent first at Jeddah in mid-July and then at an OPEC meeting in Geneva. On both occasions Saudi officials made little headway in resolving the crisis as Iraq repeated its financial, territorial and political demands and attacked the Gulf Arabs for ignoring oil production quotas, keeping oil prices down, refusing to forgive Iraq’s debts, and failing to extend reconstruction credits to Iraq after the war with Iran.32

Following the collapse of the Jeddah talks it seemed that a compromise between Iraq and Kuwait was unlikely. Nevertheless, Saddam’s invasion of Kuwait was a profound blow and a traumatic shock to the Saudis. The country’s leaders were especially disturbed by reported incidents of Iraqi troops crossing over into their territory from occupied Kuwait.

This was even more the case when Iraqi troops began to mass on Kuwait’s border. King Fahd spoke with Saddam about the movement of Iraqi troops towards the Saudi border, to which Saddam responded that this was ‘an exercise’. For his part the Iraqi chief of staff said it was a mistake, and Saddam sent Izzat Ibrahim, the vice-president

“similarity of regimes,” and “unity of heritage” of members states and their desire to deepen and develop co-operation and co-ordinating among them in all fields in a manner that brings good, development and stability to their peoples.” The formation of the organisation was said to be “within the framework of the Arab League Charter, which urges regional operation”.
of Iraq’s revolutionary command council, to reassure the Saudi king that Iraq would not pose a threat to Saudi Arabia.

Despite such reassurances further incursions continued and as the occupation became established over following days there were fewer Iraqi officials available to answer Saudi complaints. In the midst of all this, on 4 August, Saudi Arabia condemned the invasion and gave its full support to the Kuwaiti government-in-exile, which had already found sanctuary on Saudi territory, in the city of Ta’if.

The Iraqi invasion and occupation of Kuwait challenged profound and long-held assumptions over Arab solidarity, the military power (or lack of it) of the Gulf Arabs and the unavoidable but undesirable reliance on external actors for security of this vital region.

Despite these major concerns, all of which would come to haunt the region in the wake of the conflict, Saudi leaders were no less determined than their British counterparts to take a tough stand on Kuwait. General Khaled bin Sultan, commander of the Arab forces in the US-led coalition and a senior member of the Saudi royal family, candidly stated in his autobiography that King Fahd believed that the invasion of Kuwait directly threatened Saudi Arabia’s survival, and that the kingdom would have to ask for help to defend itself.

King Fahd also expressed his fear that if no stand was taken against Iraq, ‘after Kuwait, Saddam will attack the eastern side of Saudi Arabia’. He also believed that

33 Niblock, *Saudi Arabia, power, legitimacy and survival*, p.89.
the real reason Iraq attacked Kuwait was to own all the Arab Gulf countries, starting with Kuwait, then continuing with Saudi Arabia, Bahrain, Qatar, the UAE and Oman. That is why, it was presumed, that the Iraqi military attacked Kuwait with such large forces. As after a few days, Saddam had been planned to move into Saudi Arabia.\textsuperscript{35}

As such, Saudi Arabia became the territory from which the liberation of Kuwait was to take place. Once this was accepted the key issue for Saudi leaders was not simply whether the presence of non-Muslim troops on Saudi soil would have negative consequences, but whether western governments had the commitment to remove Saddam from Kuwait regardless of the cost in men, material and political popularity back home.\textsuperscript{36} Prince Bandar bin Sultan, the son of Saudi defence minister and the nephew of King Fahd, who was the ambassador in Washington, expressed concern that the US would ‘pull back’, its support before Saddam was ousted thus leaving Saddam on the Saudi border.\textsuperscript{37}

From a British perspective, these two intertwined but independent Saudi preoccupations – working with the west to remove Saddam from Kuwait and neutralize him as a threat to the region and looking to minimize the impact to Saudi society and politics of the great regional upheaval that this required – had a direct influence on bilateral relations in the early 1990s.\textsuperscript{38}

\textsuperscript{35} Alberto Bin, Richard Hill and Archer Jones: Desert Storm: a forgotten war, p.28.
\textsuperscript{38} Alan Munro, Arab storm: Politics and Diplomacy Behind the Gulf War, p.19.
Nor should one underestimate the importance of the British role in all this. Subsequently, Saddam would claim that two of key figures responsible for pushing Bush to war were Thatcher and Prince Bandar, the influential Saudi Ambassador to the US. Certainly Thatcher had sent a secret communication to the Saudi Foreign Minister Prince Saud in which she asked Saudi Arabia and the Arab League to take a common stand with the UK during the crisis and to trust western promises about withdrawing from the region once Saddam had been defeated.39

What is also not in doubt is that from the outset of the crisis it was a British priority to prevent the conflict spreading to Saudi Arabia. The country had been a western strategic asset of the first rank since the Nixon era and had even risen in strategic importance following the fall of the Shah in the late 1970s.

In the early days of the invasion, the British repeated President Bush’s warning to Saddam not to invade Saudi Arabia after press reports indicated that Iraqi troops were deploying on the Saudi border. And like the US, Britain announced that naval vessels were being sent to the Gulf to deal with such an eventuality.

At the same time British representatives at the UN joined their Saudi and US counterparts in refusing to endorse the position of then UN secretary General Perez de Cuellar, who held the view that the authorisation of the use of force against Iraq required a separate UN resolution. Instead they claimed that any military action would be legal on the basis of self-defence under Article 51 of the UN Charter. However,

39 See Frank Kane, ‘High-stakes adventures of a former British ambassador to the UAE’, The National, April 1, 2011.
the British more so than American or Saudi officials, did acknowledge that further UN measures were preferable.\footnote{On 29 November, the United States also drafted resolution 678 which the UN Security Council adopted, with reference to its previous resolution regarding Iraq’s occupation of Kuwait. This authorized ‘all member states co-operating with government of Kuwait, unless Iraq on or before 15 January 1991, fully implements...the foregoing resolutions, to use all necessary means to uphold and implement Security Council Resolution 660 and all subsequent relevant resolutions and to restore international peace and security in the area’.}

On 9 August, the same day that the UN Security Council (UNSC) unanimously adopted Resolution 662, which declared that Iraq’s annexation of Kuwait was null and void, King Fahd addressed the Saudi people. He explained that his speech was on the ‘painful and regrettable events that have been taking place’ in Kuwait.

In the course of his speech, Fahd explained that the Kingdom of Saudi Arabia was under threat from ‘huge’ Iraqi forces in Kuwait and ‘faced with these bitter realities and out of the kingdom’s eagerness for the safety of its territory and the protection of its vital and economic constituents’ the country now looked towards the support of ‘fraternal Arab forces and other friendly forces’. Interestingly, in terms of the focus of this thesis, he named the US and British governments as those most responsible for taking the initiative in providing military support. He concluded with a promise to his people that ‘[foreign] forces which will be present temporarily in the kingdom’s territory, and will leave immediately when the kingdom of Saudi Arabia so wishes’.\footnote{Dilip Hiro, Desert Shield to Desert Storm: The Second Gulf War (New York: Harper Collins, 1993), p.126.}

On 17 August 1990, the Iraqi National Assembly decided that all American and British nationals would be interned until the threat of war against the country ended. In response, the UN Security Council, on 18 August, adopted Resolution 664
condemning Iraqi actions against the foreign communities in Kuwait and Iraq. The fact that there were more British than American hostages in Iraq and Kuwait reflected the deep and wide-ranging British links to the region and, for her part, Thatcher was categorical that there would be no negotiations with Iraq while British hostages were held.

In an attempt to make progress in the release of the hostages, former British Prime Minister Edward Heath, who had been in power during the 1973 Arab-Israeli war, visited Jordan and Iraq in late October 1990. He eventually obtained the release of thirty-seven Britons and also returned home with the promise that another thirty would be allowed to leave at the end of their contracts. Despite this, and in a further demonstration of her determination not to compromise with Saddam, Thatcher was unwilling to consider negotiations, telling the House of Commons on 7 November that the time was running out for the Iraqi president.

After meeting with President Bush on a visit to the US, on taking over from Thatcher, John Major joined the US president in rejecting Saddam’s offer to negotiate. He called it a bogus sham and, in the final week of 1990, a British military spokesman acknowledged that the army was preparing to inoculate troops against non-conventional attack. This move was seen as marking a decisive point in the western commitment to go to war with Saddam, as there was a widely held belief that it would only occur if war looked inevitable. At the same time, senior British officials also threatened ‘massive retaliation’ if Iraq used biological warfare or chemical weapons against coalition forces in the Gulf.
The Gulf conflict can be separated into two distinct but overlapping phases – Desert Shield and Desert Storm. The former, as the name suggests, was primarily a defensive exercise intended to contain the Iraqi threat in Kuwait. The latter was the military campaign to oust Saddam from Iraq.

King Fahd’s agreement to host the Coalition forces set in motion operation Desert Shield which had four major objectives: to develop a defensive capability to deter Iraq from attacking Saudi Arabia, to defend Saudi Arabia if deterrence failed, to build a military coalition to participate in regional defence, and to enforce economic sanctions against Iraq as set down in UN Security Council resolutions. 42

For its part, Desert Shield had the initial objective of protecting Saudi Arabia no less than preparing the region for the military liberation of Kuwait. Indeed, as part of this preparation the British government explicitly announced that its forces would be deployed to defend Saudi Arabia.

Operation Granby was the name given to the British military operations in the Persian Gulf region between 1990 and 1991 in response to the Iraqi invasion of Kuwait. 43 Britain, along with France, contributed to an impressive US-led coalition of 34 nations including Syria, Egypt, and Saudi Arabia. Altogether, coalition forces grew to an impressive 665,000 men and 3,600 tank plus substantial air and naval assets. 44

43 The operation was named after John Manners, Marques of Granby who had commanded British forces at the Battle of Minden (1759) during the Seven Years War.
Britain made a notable contribution to this. Sizeable contingents of naval and air forces were sent to Saudi Arabia just a day after President Bush announced Operation Desert Shield on 8 August. In September 1990, some 8,000 soldiers arrived in Saudi Arabia and were immediately put under US command.

Soon after, British Defence Minister, Tom King, announced that another 14,000 men, mainly from the 4th Armoured Brigade, would be transferred from Germany to Saudi Arabia to join the 7th Armoured Brigade as the 1st Armoured Division.

By mid-January 1991, the combined force would have 40,000 men, 175 Challenger tanks, 96 Scorpion or Scimitar light tanks, and 135 Warrior armoured fighting vehicles. A further two naval vessels were also deployed to the Persian Gulf.

The British commitment of men and equipment was by far the largest made by a European nation (ahead of the French) and made up the fourth-largest contingent behind the US, Saudi Arabia, and Egypt. However, its 40,000 troops, naval vessels and RAF squadrons, not to mention its smaller special forces teams which operated from Saudi bases and behind enemy lines, made a far greater real contribution than any force other than the US military (which had over 400,000 men in the region).

Desert Storm operations commenced following Saddam’s failure to withdraw from Kuwait by the deadline of midnight (GMT) January 15, 1991. It was arguably the most technologically sophisticated military campaign up to that point in history.45 Once air operations and military planning for a ground offensive against Iraqi forces in Kuwait commenced in January British officials showed no more willingness to

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compromise with Saddam unless he withdrew his forces from Kuwait than they had in late 1990. In taking this position they aligned themselves directly with the Saudi position that was increasingly unbending in its determination to remove Saddam.

As British Foreign Secretary Douglas Hurd told the House of Commons in response to a mid-February 1991 Russian peace proposal, proof that Iraq was ready to withdraw from Kuwait would be needed before there was any pause in coalition operations. This view was echoed by senior Saudi figures. Speaking at the United Nations in New York, Saudi Ambassador Samir Shihabi said the Russian proposal posed a series of problems and did not meet the conditions set down by the UN Security Council.46

Events in the Gulf between August 1990 and March 1991 highlighted very clearly the growing disparity between the economic weight of the European Community, which following German re-unification was an even more potent global economic force, and its weakness as a political and military player. During a high profile speech in London less than a week after the end of hostilities in Kuwait, then president of the European Commission Jacques Delors admitted as much. The Gulf crisis, he acknowledged, ‘provided an object lesson…on the limitations of the European Community’.47

Arguably the one exception to this was the role of the British military. British fighter-bombers started the aerial attacks on Iraq on 17 January 1991 and an estimated 25,000

British troops participated in the crucial ground offensive in early 1991. As has been widely reported in the years since in a number of bestselling books and movies, British covert forces, notably the Special Air Service (SAS), also played a significant role. In fact the crisis saw the second largest SAS deployment since the Second World War. A training camp for Kuwaiti volunteers was set up in eastern Saudi Arabia, alongside similar US programmes, while several members of the SAS were attached to these training teams, also providing weapons, a key element of the long-standing US-British-Saudi covert alliance. A team of MI6 officers also helped organise the Kuwaiti resistance in liaison with the Saudis.

The commander of British forces during the conflict, General Sir Peter de la Billiere, gave a sense of the close ties between the British and Saudi political and military leaderships during the crisis. ‘Saudi Arabia’, he would explain: ‘was an old and proven friend of ours, and had deployed its immense oil wealth in a benign and thoughtful way, with the result that the standard of living had become very high. It was thus very much in our own interest that the country and its regime should remain stable after the war.’

On 26 February, just three days after the start of a massive ground offensive, the Soviets informed the UN Security Council of a message from Saddam Hussein to President Gorbachev, in which he announced compliance with UN Security Council Resolution 660 (1990) and promised to withdraw immediately all troops from Kuwait. Two days later on 28 February President Bush announced the war over.

\[^{48}\text{See }\text{Britain's Gulf War: Operation Granby (London, Harrington Kilbride, 1991).}\]


\[^{50}\text{Ibid p.175.}\]
In only 100 hours of ground combat, coalition forces liberated Kuwait. But even in this short time the battle provided the British government with the opportunity to leverage its valuable military contribution to consolidate existing relations with Saudi Arabia, and as a vehicle for developing further trade, strategic and political ties.

Most notable in this regard was Thatcher’s staunch efforts early in the crisis, prior to her departure from power, to lobby for a tough stand by the international community against Iraq. Her successor, John Major’s trip to Saudi Arabia on 7 and 8 January was also very relevant in this regard. Thatcher had supported Major in the Conservative party battle to replace her mainly because he seemed most likely to continue her political agenda and he certainly did so in the context of responding to the Kuwait crisis.

Prime minister Major immediately adopted the uncompromising language of his predecessor in dealing with Iraq. This made a significant impression on King Fahd and the Saudi leadership, reassuring them that the British position had not weakened despite the departure of Thatcher in late 1990. This in turn opened new avenues for bilateral trade and security ties in the post-conflict era that both consolidated the Al-Yammamah deal and built on it in the coming decades.  

52 Munro, *Arab storm: Politics and Diplomacy Behind the Gulf War*, p.196.
Twenty-five British military personnel were killed in action, and an additional 45 wounded in action but the performance of various parts of the British Force (such as the 1st armoured division and the SAS, for example) earned international praise. 53

Douglas Hurd, who was British foreign secretary during the war, appraised British strength following it: ‘We are a military- not a great military power but a good military power. We have a global view of the world. We’re willing to participate. The one superpower cannot do everything on its own... we are a medium-sized nation with some very good troops. They don't make us preeminent, but they make us interesting’. 54

The collapse of the Soviet Union and the Kuwait crisis had left a vacuum in the vital Gulf region. Local powers, none more so than Saudi Arabia, were now quickly attempting to rethink their relationships and role in the “New World Order” and security would be a paramount factor in future considerations. In these terms the Gulf crisis allowed Major to set out a new foreign policy approach to a vital region. Its empire and its bases in the region may have, for the most part at least, been a thing of the past, but it was now in a position to define a new role for a new era at a time of upheaval in the international system. Saudi Arabia would be central to this.

In these terms, from a Saudi perspective, the Gulf crisis certainly gave credence to the British claim to be a significant military force and a valuable strategic ally since the beginning of the Thatcher era. This in turn, as the next chapter will show, opened the

way for further British influence in the region in the evolving post Cold War world and for successive British governments to look to build up economic relations.
Chapter Three

The Politics of Business:


This chapter will examine economic relations in the British-Saudi bilateral relationship between 1991 and 2003. Using available government data it will look especially at the interplay between both politics and business over this timeframe as well as the consequences of two major, even defining, economic developments in this period – the Al Yamama deal and the Saudi-British Offset Programme.

The Gulf crisis of 1990-91 had taken its economic toll on Saudi Arabia. The country spent an estimated US$60 billion to fund the removal of Saddam from Kuwait. Coming in the wake of a number of years during the late 1980s when oil revenues were falling, this diverted funds from domestic development plans and doubled the Saudi deficit, which rose from US$15.3 billion in 1990 to US$32 billion in 1991.1

On the British side, there were no official figures setting out the cost to Britain of its involvement in the Gulf War and estimates varied both then and subsequently. By the end of December 1992 the British media was placing the figure at about £615 million2 and others have estimated it to be approximately £3.5 billion though they have noted that cash contributions from Gulf governments including Saudi Arabia towards military costs accounted for up to 80 percent of the total.3

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Like Saudi Arabia, Britain prior to the crisis, had been experiencing an economic downturn. By the autumn of 1990 retail inflation stood at 15 percent. In October of the same year, John Major, at the time British chancellor, succeeded in persuading Thatcher that Britain should join the Exchange Rate Mechanism (ERM). The ERM was a fledgling Europe-wide attempt to coordinate monetary policy. Britain joined in October 1990 in the last days of Thatcher’s administration.

However, the cost of keeping sterling in the ERM became more and more unpopular. High interest rates in Germany following reunification in 1990 meant high interest rates across Europe as currencies struggled to maintain over the cost of borrowing and the high value of sterling. On top of this, by 1991 British Gross Domestic Product (GDP) had dropped by over 2 percent.

In other words, the crisis in Kuwait came at a time of economic vulnerability and uncertainty in both Saudi Arabia and Britain. This continued in the following years up until the middle of the decade. As British inflation and interests rates fell sharply in 1992, a wave of speculative selling of sterling forced the withdrawal of sterling from the ERM and sterling experienced a devaluation against the deutschmark until 1996.

In Saudi Arabia economic pressure continued up to 1995 as the country came to terms with its growing debt, falling revenues and cash flow problems. In 1995, the Saudi budget deficit rose above the planned US$4 billion, although oil revenues were nearly

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4 Niblock, Arabia, Power, Legitimacy and Survival, pp. 122-123.
6 Ibid., p.67.
8 Cordesman, Saudi Arabia, p.146.
US$2.3 billion higher than forecast during the first five months of the year. As such, cost-cutting measures were initiated during the summer of 1995.9

As the below table highlights, during the second half of the 1990s Saudi Arabia was Britain’s largest export market outside the member states of the Organisation for Economic Cooperation and Development (OECD) excluding Hong Kong. Exports were about £2 billion a year and total trade was at £3 billion.

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Exports to KSA</td>
<td>6,230</td>
<td>4,451</td>
<td>2,465</td>
<td>2,408</td>
<td>2,182</td>
</tr>
<tr>
<td>Imports from KSA</td>
<td>1,632</td>
<td>1,480</td>
<td>1,416</td>
<td>1,598</td>
<td>1,419</td>
</tr>
<tr>
<td>Total Trade</td>
<td>7,862</td>
<td>5,931</td>
<td>3,881</td>
<td>4,006</td>
<td>3,601</td>
</tr>
<tr>
<td>Balance</td>
<td>4,598</td>
<td>2,971</td>
<td>1,049</td>
<td>810</td>
<td>763</td>
</tr>
</tbody>
</table>

(Source: IMF Direction of Trade 2002)

One significant factor in this was the British success in selling arms to Saudi Arabia in the previous decade. Britain’s biggest arms deal ever began in mid-1985 when US president Ronald Reagan wrote to King Fahd to inform the Saudi leader that the US congress would not agree to provide his Kingdom with the arms purchases that had been requested. Soon after, the Saudis entered into discussions with Britain that culminated in a September 1985 agreement and a number of Memorandums of Understanding (MOUs), known as the Al-Yamamah agreement.10

This agreement, subsequently known as the “deal of the century”, took three painstaking years to complete. Al Yamamah was on a huge scale, constituting the largest foreign defence contract ever. As a British national paper noted, it was ‘A deal

9 Ibid., pp.146-147.
in a different dimension’.\textsuperscript{11} It included the sale of 96 Tornados, more than 100 Hawk jets and other training aircraft and the construction of a massive airbase.\textsuperscript{12} It required 5,000 British personnel to be based in Saudi Arabia.

It was only signed in 1988 when the then British Defence Secretary, George Younger, and Prince Sultan signed a ‘formal understanding’, which came to be known as Al Yamamah II.\textsuperscript{13} Even before then Prime Minister Thatcher had described the deal as a key reason for the ‘excellent’ state of relations between Britain and Saudi Arabia over the past decade especially because the negotiations had ‘done much to focus Saudi attention on Britain and British attention on Saudi Arabia’.\textsuperscript{14}

In 1984 Saudi Arabia established the first Offset programme of any GCC country.\textsuperscript{15} Its objective was to contribute to the vital diversification of the Saudi economy by providing financial and political support for joint ventures.\textsuperscript{16} Saudi Arabia’s development plans from the mid-1970s onwards emphasised measures to accelerate the process of economic diversification, stressing the need to encourage and expand manufacturing and agricultural industries, which could ‘contribute to an increase in national income, raise standards of living and employment and diversify the economy’.\textsuperscript{17}

\textsuperscript{11} The Financial Times, 19 February 1986 and 12 August 1987.
\textsuperscript{12} BBC News, December 15 2006.
\textsuperscript{16} Arab News, June 14 2010.
One of the most significant consequences for bilateral relations emanating from the al-Yamamah deal was the establishment of the Saudi-British Offset Programme. This included the establishment of an Offset office set up by the British to manage the Saudi British Economic Offset Programme (formerly known as the AYEOP). In particular, it attempted to contribute to the promotion of deeper support for the transfer of new technology to Saudi Arabia.\textsuperscript{18}

This required the British to make an offset commitment of 25 percent of their investment in al-Yamamah contracts.\textsuperscript{19} Projects under the programme could be civil or military, and could be in the service or manufacturing sectors. In its first ten years from 1984 through 1994, various offset programmes emerged with a total value of about US$20 billion.\textsuperscript{20} It was defined by its flexibility as participation, as noted above, was not limited to defence contractors involved in the al-Yamamah programme.

Run by private sector employees and civil servants from the Ministry of Defence it actively looked from the start to promote investment in Saudi Arabia by British technology companies interested in investment opportunities in the Middle East. Though it initially focused on attracting investment only from British companies, after a period of time and with the agreement of the Saudi side, the scope of the Saudi-British programme was expanded to allow access to foreign investors from across the world.\textsuperscript{21}

\textsuperscript{19} Mamarinta P. Mababaya, The Role of Multinational Companies in the Middle East: The Case of Saudi Arabia (New Delhi, Universal-Publishers, 2003), p.183.
Over the next decades, this programme established itself as a key part of the British-Saudi bilateral economic relationship. The key aims of the programme from the start were:

- Technology transfer through research, development, manufacturing or production processes;
- Import substitution;
- Export promotion by assisting in the manufacture of products with export potential;
- Establishment of service industries which support and develop the Kingdom's economic infrastructure;
- Development of Saudi technical, professional and managerial skills;
- Effective use of Saudi Arabian resources.  

As Anthony Shoult has noted, projects that have been brought to Saudi Arabia as a result of the offset programme include:

- The Jeddah-based Glaxo pharmaceuticals plant has established in May 1992;
- A major sugar refinery United Sugar Company (USC) at Jeddah port;
- An aircraft gas turbine maintenance and overhaul facility located King Khaled International Airport, Riyadh;
- The establishment of a training company to introduce state-of-the-art techniques in job analysis, employee assessment, training package delivery, in formats appropriate to the Saudi environment;
- Two important petrochemical projects using Cyclar, a new process developed by UOP and BP to produce aromatics from liquid petroleum gas.

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In 2001, in what was described as the first project of its kind in Saudi Arabia and only the third in the world, an SR200 million Saudi-British joint venture project to recycle waste lubricants for the production of 70,000 tons of lube oil was launched at plant in Jubail. It is a joint venture between TALKE Logistic Services, the AlJabr Group and Saudi Industrial Services Company (SISCO). The project resulted in the United Lube Oil Company (Unilube) signing contracts worth SR7.6 million for the installation of pumps, valves and electrical equipment with three Saudi companies. The contract was signed in the presence of then British Minister of Trade Richard Caborn. Other examples of British technology transfer include the joint venture between the National Petrochemical Industrialization Company, a Saudi joint stock company and Basell the world’s largest polypropylene manufacturer for the establishment of a US$550 million dollar Saudi Polyolefins Company (SPC) polypropylene manufacturing plant, with the objective of improving further Saudi standing as a player in the petrochemicals industry.

Parallel to the Offset programme were other smaller but nonetheless important bilateral mechanisms intended to promote bilateral economic ties. In 1999, for example, the Saudi-British Business Council was established, with the aim of developing relations between the two countries, and facilitating the exchange of ideas and proposals, and developing commercial relations between the two countries.

The al-Yamamah deal was so large that its various stages spanned the periods in office of Thatcher, Major and Tony Blair. In 1993, in the wake of the Kuwait crisis, the deal was renewed when the Saudis agreed to buy a further batch of 48 Tornados

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and there was speculation that the Saudis also planned to buy a new fleet of 72 Eurofighter Typhoons for up to £10 billion.

On coming to power in 1997, Tony Blair’s new Labour government began to set down regulations intended to enforce tougher weapons export guidelines as part of the ‘ethical’ foreign policy approach championed by the government’s first foreign secretary, Robin Cook. In the immediate term, as demonstrated below, this had a negative impact on British exports to Saudi Arabia and it also appeared to point to the likelihood that the end of 17 years of Conservative rule could result in an end to the thriving British-Saudi arms relationship.

Not surprisingly, however, given the monetary value and extent of these dealings, Tony Blair, like Thatcher and Major before him, played a central role in working to seal massive arms deals with Saudi Arabia. In July 2005 Blair flew to Riyadh to promote the deal as rumours abounded that any future agreement could be worth as much as the original agreement in the mid-1980s. On June 21, for example, just before Blair’s Riyadh trip, the head of BAE went on record as saying: ‘The objective is to get the Typhoon into Saudi Arabia. We’ve had £43 billion from Al Yamamah over the last 20 years and there could be another £40 billion’.

There was one major obstacle to such rich contracts – allegations of bribery and corruption. The first investigation into the Al-Yamamah arms deal was undertaken by Britain’s National Audit Office (NAO) in 1992, in the immediate wake of the Gulf crisis. In an unprecedented move that generated as much suspicion as it suppressed,

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25 Curtis, Secret Affairs, p 223.
27 Ibid.
for the first time ever the findings of an Audit Office report were not published. When the Labour government of Tony Blair replaced the John Major government in 1997, it also adopted the position of its predecessor by minimizing public scrutiny of the deal.

In 2004 another investigation was launched, this time by the Serious Fraud Office (SFO). This investigation focused in particular on claims that large bribes had been made to key members of the Saudi royal family and senior officials in order to secure the Al-Yamamah deal. Despite significant media interest, including in-depth investigations over a sustained period of time by the Guardian, Times and Telegraph newspapers, within a couple of years the SFO’s own investigation was shut down by the Blair government.

Prime Minister Blair justified this decision on the basis of the vital importance of not jeopardizing relations with Saudi Arabia as this might have a negative impact on national security. Going further, the Labour government argued that Saudi leaders were providing key cooperation in the war on terror and that to continue the investigation could cause ‘serious damage’.28

These fears of the extent of Saudi reactions amongst British politicians were understandable. Between 2000 and 2009 Saudi Arabia was Britain’s number one market for defence exports with military aircraft (Tornados and Eurofighter Typhoons) leading the way.29 Now, it was widely reported that Saudi leaders were

deeply angered by the SFO investigation, in particular over the persistent allegations of pay-offs to key royal family figures.30

In these terms, there was much speculation that the Blair government’s decision to abort the SFO investigation in 2006 came in the wake of reports that Saudi Arabia was considering pulling out of a deal to buy 72 Eurofighter jets from BAE that had been clinched the previous year by BAE Systems with Blair’s support.31 As a headline in the Daily Telegraph put it, ‘Halt inquiry or we cancel Eurofighters’.32

As noted above, between 1997 and 2001 there was a noticeable decline in British exports to Saudi Arabia. Exports fell by almost 66 percent in value terms from just over US$6 billion in 1997 to about US$2 billion in 2002. This can be explained by a number of factors. The first was a sharp fall in Saudi arms purchases. Exports were also hit by a drop in Saudi demand for British meat and dairy products due to the BSE and foot-and-mouth crises that saw a worldwide decline in demand for British agricultural products.33

Nevertheless, Saudi Arabia remained a major export market despite these developments. According to the Arab-British Chamber of Commerce, in 2001 Saudi Arabia represented 42 percent of all British trade with the Gulf region. In 2002 Saudi Arabia was the twenty-fifth biggest export market for Britain.34

30 Ibid., p.341.
32 The Daily Telegraph, 1 December 2006
At the beginning of the following year Baroness Symons, the then minister of international trade and investment and deputy leader of the House of Lords, visited Saudi Arabia. During her trip she promoted bilateral economic relations. She described Saudi Arabia a ‘vital trading partner’ adding that her government was ‘sensitive and sympathetic to difficulties and issues facing Saudi Arabia in respect to globalization’, and congratulated the Saudi Arabian General Investment Authority (SAGIA) for its success in attracting foreign investment in recent times adding that ‘We look forward to the development of more investment opportunities’.

As far back as the early 1980s, Saudi leaders like Crown Prince Abdullah had been clear over the need to attract knowledge and technology transfers from the more developed West. ‘Modern technology’, Abdullah noted in a 1983 newspaper interview ‘has placed us at the centre of the world, moreover it has made the world the centre of Saudi Arabia’. 35

In all Symons highlighted 14 key sectors in the Kingdom that were being targeted by the ministry for trade and investment in London. These included power, water, oil and gas, all areas that Symons explained, her government believed would benefit greatly from British expertise. In this period, the International Weir Group PLC began a major joint venture in the vital areas of water desalination projects, waste treatment, cooling technique projects, in addition to engineering services for gas and oil projects.36

35 Al Jazirah, 22 March 1983.
One other notable area that Symons addressed for possible cooperation and mutual benefit was the financial sector. The new Saudi Foreign Investment Law, enacted in April 2000, replaced and significantly liberalised Saudi Arabia’s 1979 foreign investment law. This made the country an increasingly appealing destination for business investment. UNCTAD’s World Investment Report of 2004, for example, ranked Saudi Arabia as thirty-first in the world rankings for investment potential.

However, there was still a long way to go as the same report ranked Saudi Arabia as number 138 for actual investment performance. Over the period between 2001 and 2003, the flow of inward investment into Saudi Arabia registered a negative figure of US$387 million.

It was these two realities that provided Britain with the opportunity, promoted by Symons, to play a lead role in developing investment opportunities. All the more so as Britain had by this time developed into Saudi Arabia’s second largest foreign investor after the United States. In December 2003, it was reported that HSBC and SABB (the Saudi-British Bank) were planning to establish a joint bank that would invest in local infrastructure projects.

As shown in table 1 below, British exports to Saudi Arabia between 2002 and 2005 doubled from SAR28 billion in 2002 to SAR60.5 billion in 2005.

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37 Tim Niblock, *Saudi Arabia*, pp.126,127. Foreign companies could be 100 percent foreign owned (except in certain specified sectors), and foreign and Saudi companies were to be treated on an equal basis. Also, foreign companies could apply for low-cost loans from the Saudi Industrial Development Fund (SIDF), on the same terms as Saudi companies. Foreign companies were allowed to own land for licensed activities.
38 Ibid., pp.130-133.
Saudi Arabia has traditionally had a trade deficit with the UK due primarily to the scale of arms sales (best exemplified by the Al-Yamamah deal) and by the fact that the UK has been a major oil producer and therefore has been less dependent on importing Saudi oil than other European nations. During the period under study Britain was the largest producer of oil and the second-largest producer of natural gas in the European Union (EU).

However, according to the figures released by the British Office for National Statistics (ONS), oil only formed 3 percent of total UK import commodities in 2002. Moreover, the bulk of the UK’s crude oil needs during the early part of the 2000s were met by imports from countries other than Saudi Arabia (see table 2 below). Britain only became a net importer of natural gas and crude oil in 2004 and 2005.
Apart from oil and weapons Saudis have also consistently purchased British machinery, tobacco, medicines and pharmaceuticals (see table 3 below).

### Table 3: Key UK Exports to Saudi Arabia in 2005

<table>
<thead>
<tr>
<th>COMMODITIES</th>
<th>VALUE ($ mn)</th>
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</thead>
<tbody>
<tr>
<td>Cigarettes/tobacco</td>
<td>68</td>
</tr>
<tr>
<td>Medicines containing penicillin, non-retail</td>
<td>24</td>
</tr>
<tr>
<td>Other medicines, non-retail</td>
<td>19</td>
</tr>
<tr>
<td>Industrial towers/cranes</td>
<td>48</td>
</tr>
<tr>
<td>Other chemicals</td>
<td>23</td>
</tr>
<tr>
<td>Embroidered shamaghs</td>
<td>30</td>
</tr>
<tr>
<td>Gold</td>
<td>71</td>
</tr>
<tr>
<td>Aluminium products</td>
<td>18</td>
</tr>
<tr>
<td>Aircraft engines</td>
<td>17</td>
</tr>
<tr>
<td>Pressure reducing valves</td>
<td>10</td>
</tr>
<tr>
<td>Military propellers, rotors</td>
<td>22</td>
</tr>
<tr>
<td>Other parts for military aeroplanes</td>
<td>455</td>
</tr>
<tr>
<td>Other parts for non-military aeroplanes</td>
<td>189</td>
</tr>
<tr>
<td>Other commodities</td>
<td>840</td>
</tr>
</tbody>
</table>
As table 4 shows Saudi imports from Britain rose by 26 percent in 2003 over the previous year. Between 2002 and 2005 they doubled from SAR121.09 billion to SAR 222.98.

Table 4: Saudi imports from Britain 2002-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports in SAR Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>100</td>
</tr>
<tr>
<td>2003</td>
<td>150</td>
</tr>
<tr>
<td>2004</td>
<td>200</td>
</tr>
<tr>
<td>2005</td>
<td>250</td>
</tr>
</tbody>
</table>

Source: Saudi Ministry of Finance

Since the early 1990s Saudi exports to Britain grew at a faster rate than imports did. This narrowed the trade gap from US$2.3 billion in 1991, to just US$933 million by 2005. In 2006, Saudi exports to Britain surpassed US$1.8 billion for the first time in the history of bilateral trade between the countries. In 1985 75 percent of Saudi exports to the UK were in the oil sector. By 2005 this had fallen to 25 percent. This was primarily due to a huge rise in the Saudi export of manufactured goods and
equipment to the UK as its own industrial sector expanded and created demand for machinery and technology.  

Over the same period Saudi Arabia was a net exporter of petrochemicals to the UK, despite the fact that the British petrochemical industry has been the third largest in Western Europe. The Saudis also invested quite heavily in this sector with SABIC purchasing a former ICI plant for US$700 million in 2006.  

Despite these figures, the overall increase in Saudi exports to many different parts of the world has seen the UK’s ranking fall between 1991 and 2005. Over this period it went from being the ninth to the twenty-third largest recipient of the Saudi products. Nonetheless, the constant rapid growth in Saudi exports to the UK has continued to reduce the historically large trade surplus, which Britain has enjoyed with Saudi Arabia for much of the period under study. 

In 1993 Saudi Arabia first applied to join the World Trade Organisation (WTO), which replaced the General Agreement on Tariff and Trade (GATT) in 1995. It became the 149th member of the body on 11 December 2005. In the process of preparing for membership, the country introduced over 40 new trade-related laws, created nine regulatory bodies, and signed 38 bilateral trade agreements. 

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42 Ibid.  
44 Ibid.
However, it was unwilling to compromise on a number of issues. There was a fear that the WTO’s free trade rules could threaten its culture; that membership might be construed as compromising its trade boycott with Israel; and that it might have a negative influence on social development at a time when both conservatives and reformers at home were pressuring the regime to move in their direction. There was also the practical concern that the price of membership might include ending its subsidies for key products from petrol to electricity, a vital part of the social contract in Saudi Arabia.\(^{45}\)

Throughout the more than decade-long entry negotiations Britain had pledged support for Riyadh’s speedy accession to the WTO.\(^{46}\) On finally entering the organization Prince Abdel Aziz, the son of Riyadh’s governor, a key post in the hierarchy of Saudi power politics, noted publicly that King Abdullah, had ‘thanked in particular French president Jacques Chirac and British prime minister Tony Blair for backing Riyadh’s drive to join the global trade body’.\(^{47}\)

Apart from backing Saudi moves in the sphere of global trade the British also looked to impart to their Saudi partners the wisdom learnt in the course of their own massive privatization programme in the 1980s and 1990s. Between 1979 and 1997, the Conservative government had led the way in the privatisation of state-owned companies selling off 46 companies including British Telecom, British Gas, the water, electricity and railway industries, British Airways and BAA (the British Airport Authority).


\(^{46}\) *Arab News*, 2 December 2003.

On his visit to Saudi Arabia in 1994 Prime Minister Major offered his hosts the opportunity to avail of British experience in this area in its own move from the public to the private sector. This was a timely offer. In response to the fall in the oil price in the 1980s, Riyadh began to look towards economic liberalization in order to counter the downside of lower energy revenues and the general economic downturn globally. Privatisation of state-owned industries, along with a reduction of state subsidies and membership of the WTO thus became central to Saudi economic planning.

On 6 August 1997, the Saudi Council of Ministers issued a ‘decision’ identifying eight objectives for privatisation aimed at improving the efficiency of the national economy and enhancing its competitive ability. The objectives were: encouraging private sector investment, enlarging the productive assets of Saudi citizens, encouraging domestic and foreign capital to invest locally, increasing employment opportunities, providing services to citizens and investors, rationalizing public expenditure and reducing the burden of the government budget, and increasing the government revenues.

These ambitious objectives took time. At the end of 1999, the International Monetary Fund (IMF) noted that the legal frameworks for privatisation, and the elaboration of the steps needed to implement the process, were still in the development phase. In November 2002, Saudi Arabia announced further plans to privatise many of its vital

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48 Text of Prime Minister Major’s speech to British Businessmen in Jedda on Monday 19 September 1994, http://www.johnmajor.co.uk/page1132.html
49 Niblock, *Saudi Arabia*, p.133.
economic sectors. The Supreme Economic Council (SEC) took overall charge of the programme. The principle objectives of the Saudi privatisation programme were to:

- Improve the efficiency of the national economy and enhance its competitive ability to meet the challenge of regional and international competition.
- Encourage private sector investment and effective participation in the national economy, and increase its share of domestic production to achieve growth in the national economy.
- Enlarge the ownership of productive assets by Saudi citizens.
- Increase employment opportunities, optimize the use of the national workforce, and ensure the continued equitable increase of individual income.\(^\text{51}\)

During the period between 2003 and 2008 Saudi Arabia experienced the second longest economic boom period in its history with real GDP growth increasing by an average of 5 percent a year, the strongest for a decade. According to the IMF, the government’s fiscal position strengthened further in 2004 on account of record oil revenues (a consequence of the record oil prices that occurred following the US invasion of Iraq).

The fiscal surplus increased to 9.5 percent of GDP, up from 1.25 percent of GDP in 2003. Over half of the 2004 fiscal surplus was used to reduce the gross central government debt by 16 percentage points to 66 percent of GDP, while the remaining surplus was placed in a special fund to finance investment in priority areas over a 5-year period.

By 2005 the Saudi economy was witnessing a period of relatively high growth and economic progress due to year on year record oil revenues.\textsuperscript{52} For its part, Britain had done much to situate itself in a leading position to benefit from this. By 2006 Saudi Arabia was the top market for British arms sales. Outside of that sector the number of Saudi-British joint ventures reached 150, with a total value of around SR56 billion (US$15 billion) and some 30,000 British nationals were living and working in Saudi Arabia.

By the end of 2006, the year that this thesis concludes its examination, the British embassy in Riyadh was acknowledging that: ‘Two-way trade between our two Kingdoms continues to grow. Commercial partnerships are flourishing and UK visible and invisible exports are valued at more than US$9 billion. Saudi Arabia remains by far the United Kingdom’s largest market for goods and services outside the OECD, and the most significant trade & investment partner in the Middle East. The UK is also the second largest investor here’.

Nonetheless, though trade was a hugely important part of the bilateral relationship and impacted directly on strategic and political ties between London and Riyadh other aspects of relations also developed significantly in the period under examination. In particular, the already notable educational and cultural dimension of ties flourished. Through this period the British Council, for example, partnered with Saudi Arabia in a broad range of educational-related projects.

There were also almost one hundred sports cooperation programmes between the two countries that included exchanges of young footballers between clubs on an annual

\textsuperscript{52}Shoult, \textit{Doing business with Saudi Arabia}, p.32.
basis. In the cultural sphere the period between 1991 and 2006 saw growing cooperation that included exhibitions, and events that on both sides looked to introduce cultural history and key aspects of heritage to the public in the other country.

The impressive British tradition in the museum and gallery sector was also maximized in order to increase the British engagement with Saudi Arabia in the cultural sphere and British experts regularly trained Saudi curators in the holding of exhibitions and even the staging of cultural events.

Some of this was initiated and supported by private Saudi and British cultural organizations by way of seminars and lectures. There was also support for joint research between scholars and experts in both countries.

On the British side there was also an attempt to use its deep and long history in the broadcast media, as symbolized by the British Broadcasting Corporation's (BBC) worldwide standing, to help Saudi Arabia develop its own radio and television sector. The British were especially keen to develop training programmes and exchange visits in the promotion of expertise in the field of media and information.

There was also a political component to this cultural cooperation. In part this was an attempt by both countries to educate the other about what made them special and, in particular, to challenge negative views that may have been held by each other’s populations. In other words, from the Saudi perspective in particular, cultural cooperation was seen as an opportunity to educate the British public about the positive things going on in the kingdom of Saudi Arabia.
In part this included the Saudi Arabian Ministry of Culture and Information organising British journalists and media visits and facilitating their missions, as a way of introducing the British public to what was happening in Saudi Arabia. Indeed, in 2007, the year after this study ends, the third Saudi-British Forum focused on information and culture as a key subject for discussion.\(^{53}\)

Independent of this, but not unrelated, is the fact London has long been a base for a number of Saudi-owned newspapers and magazines. These include *Al-Wasat*, *Al-Majalla* and *Al-Sharq al-Awsat*, which opened its doors in London in 1978 and has an English language edition.\(^{54}\) Though based in London and printed in a dozen locations internationally (including Frankfort, Cairo, Casablanca and Kuwait) over the decades *Al-Sharq al-Awsat* has come to be regarded as the leading title in Saudi Arabia.\(^{55}\)

At the heart of this cultural exchange has been the fact that Britain’s significant Muslim population looked to the Holy Places of Mecca and Medina as the centre of their religion. Over the period under study in this thesis, an estimated 25,000 British residents made the Islamic pilgrimage of Hajj from Britain to Mecca each year with a larger figure of around 100,000 visitors undertaking the pilgrimage of Umrah.

The engagement of British Muslims in this has become so notable (in terms of visitors from non-Muslim states) that in 1999, following government-to-government

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discussions, Britain became the first predominantly Christian country to organise an official Hajj delegation to assist its own pilgrims. The delegation included members of the Foreign and Commonwealth Office (FCO) and volunteers from the Muslim community. Britain has continued to organise a delegation in subsequent years.⁵⁶

Only 670 Saudi Arabian born nationals have been granted British citizenship since 1980 and according to the 2001 census, 7,904 people in England were born in Saudi Arabia (including 3,018 in London).⁵⁷ Over the same period an average of 26,000 British citizens live in Saudi Arabia at any one time (out of a total over 150,000 British nationals living and working across the Gulf), the vast majority being based there for reasons related to their professional life.

Almost 50 per cent of Saudi Arabians in England over the age of sixteen in the period under study in this dissertation were students. An estimated 2,500 Saudi citizens were in higher education in Britain at any given time during the period examined in this thesis.⁵⁸ The vast majority were funded by the Saudi Arabian ministry of education, via the Saudi embassy in London.

A government sponsored student society in the UK, for second and third level Saudi students in the country was established to address the needs of this group.⁵⁹ More generally, a Saudi-British Society was formed in 1986 to help promote closer friendship and understanding between the people of Saudi Arabia and the United Kingdom. The society is a social, cultural, non-political and non-commercial

⁵⁷ Though data is sporadic it is estimated that among the settled community the proportion of men is estimated to slightly outnumber women at 53 per cent to 47 per cent.
⁵⁸ *The Muslim Community in England*.
⁵⁹ Ibid., p 33.
organisation. It aims to bring together British citizens who have an interest in Saudi Arabia (whether professional, commercial, cultural or otherwise) and Saudi Arabian citizens who are resident in, visitors to, or interested in the UK.

The Society’s president is always the Saudi Arabian Ambassador in London and an elected Committee oversees its running. There are ordinary, corporate and student members. The Society is self-financing through subscriptions from members and donations. Since 1986 the Society’s activities have included receptions for important visitors, dinners, exhibitions, lectures and book launches. Every year the Annual Dinner is combined with the presentation of the Rawabi Holding awards, generously donated by Saudi businessman, Abdulaziz al Turki, to two British citizens who have made significant contributions to promoting Saudi-British relations.

Interestingly, and something that feeds into the British role in supporting human rights and the rights of women in Saudi Arabia, an issue addressed in a subsequent chapter, there is a relatively high proportion of professional Saudi women amongst Saudi female citizens in Britain. In recognition of this in late 2005, HRH Princess Loulwa Al-Faisal led a delegation of Saudi businesswomen to a conference organised by the Women in Business International Forum in London.

The period between 1991 and 2006 saw numerous developments in the bilateral Anglo-Saudi relationship in a number of areas of economic endeavour. In particular, in the context of the al-Yamamah arms deal and the economic challenges of the early

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61 Ibid., p xv.
1990s, it saw the British look to maximise their position as a partner to Saudi Arabia in the latter’s drive for economic liberalisation and domestic development.

Parallel to this were bilateral attempts to consolidate relations in the spheres of culture and education. However, in 2001, the al-Qaeda terror attacks on the US fundamentally changed priorities in the Anglo-Saudi bilateral relationship and pushed counter-terror to the top of the agendas of both countries. As the next chapter will show this created new opportunities, as well as new tensions in the bilateral relationship.
Chapter 4

Under Fire: Anglo-Saudi Bilateral Relations in an Age of Global Terror

The Gulf Crisis of 1990-1991 served to underline the strong bilateral relationship between the Saudi and British governments in a period of upheaval in the international order. Inside Saudi Arabia this was a time during which conservatives and Islamists were attacking the regime (though at no time did they pose a viable challenge to the regime’s survival) and others, from the more liberal end of the political spectrum, were becoming more vocal in their own demands for political and social reform.

On both counts the Gulf crisis was the catalyst that exposed the challenges that the Saudi leadership faced in the post-Gulf crisis era. To make matters worse, as noted in the previous chapter, the mid-1990s, again in part as a direct result of the financial strains placed on the Saudi treasury by the cost of expelling Saddam from Kuwait, was marked by a period of economic vulnerability.

Domestically, inside the borders of Saudi Arabia the alliance with the West, in particular the willingness of the royal family to open Saudi territory – the home of Islam’s two holiest sites, Mecca and Medina – to non-Muslim soldiers in response to Saddam’s invasion of Kuwait, resulted in a backlash from Islamists.

Salman al-Awada and Safar al-Hawali, who earned the title the “awakening preachers”, epitomized this. Both were outspoken critics of the ruling family’s
relationship with the West and their attacks were heard across the country in taped sermons and speeches that generated significant debate.¹

In similar terms, other influential figures within the Wahhabi religious establishment strongly denounced the presence of western troops on Saudi territory. In March 1991, a “Letter of Demands” sent to King Fahd was signed by more than 400 religious figures and preachers, including members of the establishment “ulama”.

The following year, in 1992, a group of clerics issued what came to be known as the “Memorandum of Advice”. This called for the stricter observance of Islamic (Sharia) law across Saudi society and, most relevant in terms of the focus of this thesis, the end of ties to western and non-Muslim states and nations.

While the vast majority of senior clerics obliged the demand of the political leadership to distance themselves from the document and to condemn it. A number of the most senior and respected clerics, such as Sheik Ibn al-Baz, an Islamic scholar & leading Salafist who was Grand Mufti of Saudi Arabia from 1993 until his death in 1999 and a key player domestically in Saudi Arabia in years this thesis covers, did just that. Many other high ranking clerics refused to condemn explicitly the document.² In response, the ruling family dismissed a number of those members of the clerical establishment who refused to condemn radicals, and also imprisoned a number of those viewed as Islamist ringleaders.

² Ibid., pp.26-27.
Osama Bin Laden, the son of one of the most successful businessmen in the country, went a lot further than refusing to fall into line with the ruling family’s demands. During the 1980s, Bin Laden had played a significant role in financing, recruiting, transporting, and training Arab nationals who volunteered to fight in Afghanistan following the Soviet invasion of the country. During the Afghan war, Bin Laden founded al-Qaeda (the Base) to serve as an operational hub for like-minded extremists, and to train and organise his own followers.3

The anti-Soviet cause in Afghanistan had widespread support across the Arab and Muslim world. Saudi official support in cooperation with Pakistan was a key reason for the financial capability of the guerrillas to inflict significant losses on Russian troops for the duration of the conflict. However, as Saudi funds began to dry up around 1990, an increasingly radicalized Bin Laden became disillusioned with his country’s leadership.

In turn, as he became more outspoken in his anti-establishment views in a period of growing Islamist dissent, he became an irritant to Saudi rulers.4 After the Kuwait crisis, the presence of US and other non-Muslims troops in Saudi Arabia further radicalized Bin Laden as he committed his life to what he viewed as a ‘defensive jihad’ to save Islam’s Holy Places.

Bin Laden began calling for an uprising against the Saudi monarchy, which he accused of misrule and he began loudly calling for anti-Western attacks in the Gulf.5

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This became increasingly intolerable to the Saudi government and, in 1994, Bin Laden had his assets frozen and was stripped of his citizenship.\(^6\)

The following year saw terror attacks on a US-run Saudi National Guard installation in Riyadh; while 1996 saw the bombing of the US military barracks in Khobar, near the city of Dahran, that caused the death of 19 America servicemen.\(^7\)

As the above bombings underscore, Bin Laden’s first priority was defeating what he repeatedly termed the ‘greater’ or ‘external enemy’ (the United States). The House of Saud, or the ‘lesser’ or ‘internal enemy’, would have to wait its turn.\(^8\) But at the same time as he was orchestrating the bombings of the US embassies in Kenya and Tanzania in 1998, the now outcast Bin Laden was stepping up his war of words with the Saudi government.

In 1995, for example, Bin Laden wrote a letter to King Fahd that claimed: ‘your kingdom is nothing but an American protectorate, and you are under Washington’s heels’.\(^9\) The following year, in August 1996, Bin Laden issued an 8,000 word “Declaration of War Against Americans occupying the Land of Two Holy Places”. Though focused on Washington’s misdeeds, the declaration was equally an open assault on Saudi leaders.


In terms of the impact of these developments on the Saudi-British bilateral relationship it is important to note that though steadfast allies of the Saudi royals, during the mid-1990s, Britain also became a hotbed of anti-Saudi activists and organisations.

Britain’s relationship with Bin Laden can be traced back to the 1980s during the struggle against the Soviets in Afghanistan. Arab volunteers would subsequently recall how they passed through Britain en route to Bin Laden’s base camp near the Afghan front.

With victory against the Soviets in 1989, many of the “Afghan Arabs”, as they came to be known, headed back to Britain.\(^{10}\) In the summer of 1994, Bin Laden established a London office called the Advice and Reformation Committee (ARC). Set up as a response to the decision of Riyadh to strip him of his citizenship in the same year, ARC sought to support and promote opposition to the Saudi regime.\(^{11}\)

The head of the ARC, Khaled al-Fawaz, was believed to have fought alongside Bin Laden and to have run the Abu Bakr Sadeeq training camp in Afghanistan before moving with his leader to Sudan. He then, according to documents later used during his trial, ran the al-Qaeda operation in Kenya where he was arrested in 1994. It was alleged that he bribed his way out of custody there immediately prior to settling in Britain and establishing ARC.

\(^{10}\) *BBC News*, 15 September, 2001.

According to another account, al-Fawaz was sent to London explicitly by Bin Laden to coordinate the efforts of several al-Qaeda cells globally.\textsuperscript{12} ARC’s staff also included two members of Ayman al-Zawahiri’s terrorist organisation, Egyptian Islamic Jihad (EIJ), Adel Abdel Bary and Ibrahim Eidarous, both of whom were later put on trial in the US for involvement in the 1998 embassy bombings in Africa.\textsuperscript{13}

It is known that between 1996 and 1998, Bin Laden communicated with al-Fawaz more than 200 times. A US Congressional research service report, released just after the 9/11 attacks on Washington and New York, claimed that Bin Laden even visited London in 1994 and stayed for a few months in the Wembley area of north London to help set up ARC. Other sources claim that Bin Laden visited London in 1994 to meet members of the Algerian Armed Islamic Group (GIA), and that he even travelled regularly to London in 1995 and 1996 on his private jet.

The ARC office remained active for much of the 1990s, and so open and explicit was Bin Laden and his organization’s base in Britain that some politicians in the US even called for Washington to add its British ally to the US Terror Blacklist for supporting international terror groups. For its part, France accused London of provided refuge for Algerian militants implicated in the Paris metro bombings and the massacres of civilians in Algeria.\textsuperscript{14}

Similarly, a number of Arab states battling with their own radical Islamists accused Britain of harbouring terrorists. The Egyptian State Information Service posted a “Call to Combat Terrorism” on its official web site. Of its 14 most wanted terrorists, it

\textsuperscript{12} The Telegraph, 12 February 2009.
\textsuperscript{13} Curtis, The Middle East Reader, p.183.
\textsuperscript{14} BBC News, 14 September 2001.
claimed seven were based in Britain. Yemen called for the extradition of Abu Hamza, a controversial Islamist preacher based in the Finsbury Park area of London. Following a series of terror attacks in 1998, the Yemeni authorities arrested eight Britons in possession of weapons and explosives. One was Abu Hamza’s son.

During these formative years of the mid-1990s, in the evolution of contemporary Islamist terror, Saudi Arabia, in complete contradiction to the British approach, was becoming increasingly intolerant of the Islamist threat. The government adopted harsh measures including the execution of anti-Government activists and those accused of terror attacks in 1995 and 1996.

The Saudi government also began to apply pressure on the Taliban government in Afghanistan to expel Bin Laden and return him to Saudi Arabia for trial. In June 1998, Prince Turki, then head of Saudi Intelligence, reached agreement with Taliban leader Mullah Omar, to hand over Bin Laden, but towards the end of the year the Taliban reneged on the deal.\footnote{Anne Aldis, \textit{The ideological war on terror: worldwide strategies for counter-terrorism} (London, Routledge, 2013), p.28.}

At the same time, calls by groups and individuals based in London supportive of, or linked with al-Qaeda, to attack the US and Saudi Arabia increased. In February 1998, Saudi dissident Mohammed al-Massari and Omar Bakri Mohammed, the leader of the London based radical group al-Muhajiroun, signed a statement calling for attacks on American targets. An astonishing sixty other UK based groups added their names.
A short time later Bin Laden echoed the call. ‘In compliance with God’s order’, read his statement issued by al-Fawaz from his London office, ‘we issue the following fatwa to all Muslims to kill the Americans’.

Following the bombing of the two US embassies in East Africa in 1998 and following the application of significant pressure from Washington, the British authorities finally arrested al-Fawaz for his alleged involvement in the bombing of the US embassy in Kenya. For the next number of years he remained in detention as the process of his extradition to the US wielded its way through the British court system up to the House of Lords.

Bin Laden vehemently attacked the British government for arresting his London representative (al-Fawaz openly admitted that he knew Bin Laden well) and for its willingness to extradite him to the US. But the reality, and one that frustrated several British allies, notably Saudi Arabia, France, Egypt and the US, was that even in the previous decade, as Britain provided a refuge for Islamist radicals from across the Muslim world, Britain like the US and its main allies in the Middle East, notably Saudi Arabia, was also a target of radical rhetoric.

Bin-Laden for one was in no doubt that the British were ‘in the forefront, sometimes even ahead of the United States, in advocating siege, collective punishment, and sanctions against the Muslim peoples of Sudan, Iran, Libya, and Iraq’. In 1996, for example, he told Nida’ul Islam that, with the United States, ‘Britain bears the greatest enmity toward the Islamic world’; in a June 2000 speech he detailed the United

Kingdom’s historic and contemporary transgressions. ‘The British are responsible for destroying the Caliphate system’, Bin Laden said. He continued:

They are the ones who created the Palestinian problem. They are the ones who created the Kashmiri problem. They are the ones who put the arms embargo on the Muslims of Bosnia so that two million Muslims were killed. They are the ones who are starving the Iraqi children. And they are continuously dropping bombs on these innocent Iraqi children.19

Though Bin Laden was Saudi Arabia’s best-known violent militant long before 9/11, the attacks on Washington and New York in September 2001, put both the founder of al-Qaeda and his country of birth, Saudi Arabia, in the spotlight to an unprecedented extent.20 Not only was Bin Laden a member of one of Saudi Arabia’s premier commercial families but fifteen of the nineteen 9/11 hijackers were Saudi citizens mainly from the peripheral and marginalised south-western province of Asir.

More than that, according to the 9/11 Commission Report, approximately 70 percent of the recruits in al Qaeda training camps in Afghanistan were from Saudi Arabia. So were the majority of participants in other al Qaeda terrorist acts including the 1996 Kobar Towers Bombing, the 1998 bombing of the US embassies in Tanzania and Kenya and the 2000 bombing of the USS Cole off the coast of Yemen.21

Within hours of the 9/11 attacks the Saudi government issued a statement characterising the attacks on the World Trade Centre and the Pentagon as ‘regrettable and inhuman’. Such protestations were not widely accepted outside of Saudi Arabia. As information about the attack (especially the role of Saudi citizens) became known Saudi Arabia became a target of condemnation. Some even made the argument that the case for bombing countries like Saudi Arabia was perhaps as great as bombing Afghanistan as 9/11 was, to a large extent, a product of long-standing Saudi sponsorship of radical Islamist groups.

Over the following weeks and months the country’s leaders and its people went into a state of denial and shock. The government in Riyadh maintained a defensive position in regard to the various charges of complicity in the development and nurturing of Islamic extremism.

There is little doubt that on one level Saudi Arabia was now reaping the whirlwind of its policy over the previous decades of sponsoring Islamist movements in Europe, Asia, the Balkans and across the Middle East since the 1980s. However, as King Fahd argued, his kingdom stood with the world community in fighting terrorism and ‘rejects being associated with any person whose name is linked to terrorism’.

In Britain, in the wake of 9/11 there was a great outpouring of sympathy and support for the US and a growing consensus that the country had been wrong not to

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crackdown on radicals based there over the previous decade. Prime Minister Tony Blair promised that his country would be ‘standing shoulder to shoulder’ with the US.

Blair was also clear in offering the US both open-ended diplomatic and military support, as well as intelligence cooperation. No less importantly in relation to subsequent cooperation with Saudi Arabia in the counter-terror sphere, he also promised to address extradition laws, the financing of terrorist groups and money-laundering.

On 14 September 2001, Blair set out his three main initial objectives in the war on terror:

- To bring to justice those responsible for the attacks;
- To form a common alliance against terrorism and maintain solidarity in support of any action;
- To rethink the scale and nature of the action the world takes to combat terrorism to make it more effective.

In early October 2001 Blair provided evidence to parliament that the 9/11 attacks had been undertaken by Bin-Laden and his al-Qaeda group. He also, importantly, in terms of subsequent relations with Saudi Arabia and the wider Muslim world, defended the

27 Marks, *Spying in America in the Post 9/11 World: Domestic Threat and the Need for Change*, pp.88-89. The British government moved quickly to pass the Anti-Terrorism Crime and Security Act in December 2001. Part 4 of the Act allowed for the Home Secretary (essentially the Internal Minister of the United Kingdom) to identify any non-British citizen whom he suspected to be a deportation would be prohibited. In addition, the maximum detention period for someone not charged with a crime was raised from seven days to twenty-eight days.
moral basis of any forthcoming military campaign against Afghanistan or Islamist terrorists that saw the participation of British forces. The goal, he said, would not be revenge but ‘justice’, as well as the ‘protection of our people and our way of life’. \[29\]

This was a very sensitive issue. During the three-year Bosnia war of the early 1990s that followed the declaration of independence by Bosnia-Herzegovina, European governments, including John Major’s British government, were widely criticized for failing to halt atrocities against Muslims. Britain in particular faced significant criticism over its position. \[30\]

To take one example, Robert Hunter, the US ambassador to the North Atlantic Treaty Organisation (NATO) from 1993 to 1998, made no pretence at diplomacy when he claimed that Britain was the country most responsible for preventing intervention by the UN or NATO to rescue the Bosnians. ‘Britain’, Hunter said, ‘has a huge burden of responsibility for what happened at Srebrenica [the massacre of Bosnian Muslims]’. He went further and argued that responsibility for ‘NATO’s failure to act militarily lay in London’.

What was no less unpalatable for some was the attempt by senior British officials in the wake of the tragedy to present both the British and European role in positive terms. Writing in 1993, British Foreign Secretary Douglas Hurd tried to make the most of the debacle. He rejected the argument that the EEC’s performance in Yugoslavia


\[30\] War broke out in Bosnia following its vote for independence in February 1992 and its secession from the federation in March. The declaration of a Serbian Republic in Bosnia in the same month further highlighted the impotence and divisions inside the Community. In April 1992, the EEC recognised Bosnia and later in that month following the Serbian-Montenegro declaration of a new Federal Republic of Yugoslavia, the EEC recalled its Belgrade ambassadors and looked to increase economic pressure on Serbia.
showed that the Common Security and Foreign Policy (CSFP) could never work. Instead, he made the case that ‘ten years ago it would have been inconceivable that the Community should act together on a subject as sensitive and complex as Yugoslavia...The habit of working together is growing every day’.  

Such self-praise was dismissed by critics as untrue and considered the height of cynicism. While Britain deserved much of this sort of criticism, it is also true that it attempted to play a middle role between its two major European allies – France and Britain – by favouring, like France, a united Yugoslavia under a strong Serbia and, like Germany, condemning Serb aggression.

Britain also played a notable, if limited, secret part in supplying arms to Bosnian Muslim and Croat forces and turned a blind eye to US arms supplies to, and military training of, these forces. Most importantly, Britain also acquiesced in the movement of some Islamist militants into Bosnia as up to 4,000 volunteers went there to fight the Serbs.

The militants were funded by al-Qaeda, public and private Saudi money and various Islamic ‘charities’, amid a wave of solidarity around the Muslim world for the plight of their co-religionists in the Balkans. As a new generation of jihadists gained combat experience and developed new networks, Whitehall thus played a role in fomenting the third wave in the globalization of terrorism, following the Afghan War of the 1980s.

Over the course of the war, public and private aid from Saudi Arabia to Bosnia amounted to around US$150 million.\(^{33}\) Saudi Arabia used the Organisation of the Islamic Conference (OIC) to rally support for the Bosnian cause, and to push for UN sanctions against Serbia and a lifting of the arms embargo on Bosnia. In June 1992, the government set up the “High Committee for Fundraising to the Muslims of Bosnia-Herzegovina”, which incorporated a number of local branches known as “People’s Committees”. By 1996 it was estimated that the Saudi government had funded secret weapons deliveries to the Bosnian Muslims to the value of US$300 million.\(^{34}\)

In March 1999 the Blair government in a departure from the position of its predecessor in power during the early 1990s, led the call for NATO to commit troops to Kosovo to prevent possible genocide against Albanian Muslims. The upshot of this was the fall of Serb leader Slobodan Milosevic, denounced for dragging his nation into a war it could not win.\(^{35}\)

Blair was motivated in acting in Kosovo by his vision of a foreign policy that permitted, and even demanded, military intervention on a humanitarian basis. Following 9/11, Blair now substituted the concept of ‘humanitarian intervention’, the basis of his foreign policy in his first years in office, with the War on Terror as its main guiding philosophy for international engagement.

\(^{33}\) Curtis, *The Middle East Reader*, p.208.

\(^{34}\) Thomas Hegghammer, ‘There is nothing soft about Saudi counterterrorism’, *Foreign Policy*, March 11, 2010, pp. 35-36.

\(^{35}\) Vernon Bogdanor, ‘Srebrenica: the silence over Britain's guilt must be ended’, *The Guardian*, 12 July 2012.
More than that Blair quickly became a leading proponent of the War of Terror, not only standing side by side with US President George W. Bush, but also cementing his country’s ties with Saudi Arabia in the war against radical Islamists bent on undermining the status quo in this key Arab and Muslim state. All of this was evidenced by the fact that in November 2001, for the first time Bin Laden made a direct personal threat against Tony Blair as one of the leaders of the anti-Muslim coalition working with the White House and the House of Saud.

On 7 October 2001, London informed the UN Security Council that it had commenced the use of military force in Afghanistan under Article 51 of the UN Charter, which recognised ‘the inherent right of individual or collective self-defence’ and required states to report such actions immediately.

The statement added that the military action was directed against Bin Laden’s al-Qaeda organisation and the Taliban. It explained that ‘extreme care’ had been exercised in the selection of targets in order to minimise the risk to civilians, and reiterated the point that the military actions were not ‘directed against the Afghan population nor against Islam’. It also adopted a legalistic position informing readers that the use of force in self-defence was subject to two main considerations: necessity and proportionality.

At the same time Blair made a statement outside 10 Downing Street. He confirmed British participation in the air strikes that had begun in Afghanistan in response to an

36 Curtis, The Middle East Reader, pp.250, 251.
39 Ibid., p 10.
American request. He also went into detail about the type of British contribution, which included the use of the base at Diego Garcia in the Indian Ocean, as well as reconnaissance and flight support aircraft and missile firing submarines.  

At the same time, like the official statement issued by his government, he was careful to clarify that the military action that Britain had just initiated was against targets that were known to be part of the al-Qaeda terror network and Taliban military infrastructure. He also explained why al-Qaeda and the Taliban were being targeted and emphasized that the operation against both had three equally vital parts – 'military, diplomatic and humanitarian'.

The military component, he went on, was intended to ‘eradicate’ the al-Qaeda terror network. The diplomatic objective was to build a “coalition of support” amongst the world’s nations, including those who contributed to the actual military campaign and those who did not. Finally, he stressed that this was in no way a war with Islam but with the perpetrators of terror and violence on a global scale.

In the immediate aftermath of 9/11 the Saudi government had immediately cut diplomatic ties with the Taliban, a group it had long worked closely with. It also condemned the attacks and lent its support to the nascent “war on terror.”

However, though the Saudis offered full support for this counter-offensive against Bin Laden, al-Qaeda and its Taliban hosts, there was a general understanding that the

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41 *Operation Enduring Freedom and the Conflict in Afghanistan: An Update*, p.11.
Saudi role would be limited to political support in the Muslim and Arab world and the provision of intelligence rather than actual participation in any military campaign.

Moreover, the Saudi leadership was reluctant to be too closely identified with either the US or Britain at this time, in terms of the actual war in Afghanistan. Indeed, Blair had made his Downing Street statement on the commencement of hostilities in Afghanistan and the British role in the military campaign, in the first week of October 2001, just prior to a pre-arranged visit to Saudi Arabia.

This placed his prospective hosts in a precarious position. The Saudi government feared that such a visit could further inflame domestic opposition to the air strikes and also further alienate more conservative elements of the population if not increase support for radicals and al-Qaeda supporters based within the kingdom. There was also a fear that direct Saudi involvement in the Afghan campaign, or even an identification of the Saudi leadership with explicit support for the Anglo-American led war, would lead to reprisals from al-Qaeda terrorists and sympathisers in Saudi Arabia.  

As such, Riyadh asked the British government whether it would be willing to postpone or cancel Blair’s trip. *Asharq al-Awsat*, the major Saudi newspaper based in London, reported that unnamed senior Saudi officials explained their request on the grounds that there was real sensitivity in the kingdom and the Arab and Muslim world about the British role in Afghanistan.

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So adamant was the Riyadh leadership on keeping its distance from the British role in Afghanistan that even a personal phone call from Blair to Crown Prince Abdullah failed to result in the reinstatement of the invitation.44

To place this Saudi reluctance in the context of the time, eighty nations backed the US military action against al-Qaeda and the Taliban in Afghanistan, demonstrating the extent of international goodwill for the US across the globe. Even those countries that would later take the lead in opposing the US on Iraq supported and contributed to the war in Afghanistan. France deployed 5000 military personnel in Central Asia and sent its only aircraft carrier, the Charles de Gaulle, to the region. While Germany, in what Chancellor Schröder termed a ‘historic decision’, agreed to deploy troops abroad in support of the US action in Afghanistan.45

During the course of negotiations with Saudi officials over the Blair visit, the British government, with Blair at the helm, continued to take the lead in the evolving War of Terror. On 16 October 2001 Foreign Secretary Jack Straw released a document, which outlined a hierarchy of objectives. The ‘overall objective’ had the ambitious, and in hindsight unrealistic, goal to ‘eliminate terrorism as a force in international affairs’. To achieve this, it argued, it was necessary to:

- Bring [Bin Laden] and other Al Qaeda leaders to justice;
- Prevent [Bin Laden] and the Al Qaeda network from posing a continuing terrorist threat;

44 The Telegraph, 12 October 2001.
• Ensure that Afghanistan ceased harbouring and sustaining international terrorism and enable Britain to verify that terrorist training has ceased and that the camps where terrorists trained had been destroyed;

The wider, longer-term, objectives were:

• To do everything possible to eliminate the threat posed by international terrorism;
• To deter states from supporting, harbouring or acting complicitly with international terrorist groups;
• To achieve the reintegration of Afghanistan as a responsible member of the international community and end its self-imposed isolation.46

Eventually, despite deep Saudi misgivings, Blair made his visit to Saudi Arabia in late October 2001, where he met King Fahd, Crown Prince Abdullah and other key figures.47 In his talks with Abdullah, Blair dealt in detail with the evolving plans of the international coalition to combat terror. He also reiterated his deeply held belief that the conflict was not between the West and Islam nor among civilisations but between terrorism and legitimacy. He also hailed Saudi support for the campaign against terrorism up to that point.48 Following his talks with the Saudi king, Blair stated that:

People understand that, when so many thousands of people are slaughtered in cold blood in the way they were [on September 11], we have to bring to account those

responsible. People want us to do everything we can to minimise civilian casualties in the action we take. And we do.\textsuperscript{49}

However, during his visit he also acknowledged that there was widespread opposition in the Muslim world to the bombing of Afghanistan, and admitted that the West had to ‘upgrade’ its efforts to win over moderate Arab opinion.\textsuperscript{50}

Despite the warm reception Blair received and the relatively positive impression he made, the Saudis remained unsupportive, publicly at least, of the Afghan campaign and made it clear that coalition forces would not be able to use its airspace to launch attacks on Afghanistan or anywhere else in the Middle East.\textsuperscript{51} Though it should be remembered that the military action against the Taliban state was run from the US Combat Air Operations Centre in Saudi Arabia.\textsuperscript{52}

In the wake of 9/11 Crown Prince Abdullah was quoted as proclaiming that ‘we are all targeted… not only Saudi Arabia, Iraq, Sudan, and others…but the main target is Islam’.\textsuperscript{53} Now the leadership of the country attempted to put a lid on domestic radicalism. In November 2001, Abdullah called a meeting of the nation’s leading clergymen (including three descendants of Ibn Abdul Wahhab) and asked them to ‘act with moderation and examine every word you say’.

The following month, the Saudi minister of Islamic Affairs sent a letter to the nation’s clerics, underlining that mosques were for prayer and spiritual guidance, not for

\textsuperscript{49} The Telegraph, November 5 2001.
\textsuperscript{50} The Telegraph, October 12 2001.
\textsuperscript{52} Niblock, Saudi Arabia, p167.
\textsuperscript{53} Angel Rabasa, The Muslim world after 9/11, p.109.
political activism. In a second letter, the deputy minister especially warned preachers to show respect for other religions in sermons.\textsuperscript{54}

These attempts at outreach were part of a post-9/11 strategy by the Saudi government to use the religious authorities to tackle the ideology behind terrorism. Clerics were encouraged to refute militants’ arguments, and to condemn and reject their claims in the media and at mosques. Religious scholars were also influenced or pressured to provide scholarly disputations drawing on the Quran that discredited the claims of radicals.\textsuperscript{55}

However, if such exhortations had been intended to limit the opportunities for al-Qaeda to gain a foothold in its founder’s country of birth, they did not succeed in their goal. After 9/11 and the end of the military phase of the war against al-Qaeda and the Taliban in Afghanistan in early December 2001 it became evident that al-Qaeda fighters had found their way back to Saudi Arabia were they founded an al-Qaeda sub-group, al-Qaeda in the Arabian Peninsula.

Prior to 2001, Bin Laden had been reluctant to directly focus his group’s terror efforts on Saudi Arabia, as the priority was to attack the US, and Saudi Arabia was an important source of al-Qaeda money and men. Following the 9/11 attacks Afghanistan was no longer able to provide a home for Saudi recruits and it was much more difficult to receive funds from Saudi supporters. Moreover, Saudi Arabia’s


track record of reluctance to crackdown on Islamists also made it a more appealing base of operations. 56

Indeed, the post-9/11 era saw a new generation of Saudi-born militants, trained in Afghanistan, come of age. Unlike their Islamist predecessors during the Awakening in the post 1990-91 era, this new breed of radicals did not combine their demands for the Islamicisation of Saudi society and politics with an acknowledgement and recognition of the legitimacy of the Saud family’s leadership of the country.

Instead, those who made up the core group of activists inside al-Qaeda in the Arabian Peninsula when the al-Qaeda leadership activated its networks in Saudi Arabia in early 2002, demanded both the country’s return to Islam and the overthrow of the House of Saud.57 One such network of radicals was led by Abd al-Rahim al-Nashiri who communicated with the al-Qaeda leadership outside of the kingdom via contacts in Karachi, Pakistan.

Other networks also began to establish themselves, in the process setting up an infrastructure that included safe houses, ammunitions depots, cells and support networks in preparation for what became the worst terror campaign in Saudi history. Some of the early missions were aborted or unsuccessful, such as the attempt to shoot down a US military airplane with a shoulder-held missile near Prince Sultan airbase in May 2002. While the al-Nashari network was suspected of, among other things, recruiting Saudi recruits for the hijacking of planes at Heathrow airport in London.58

56 Hegghammer, ‘There is nothing soft about Saudi counterterrorism’.
58 Hegghammer, ‘There is nothing soft about Saudi counterterrorism’.
It was not until mid-2003 that these efforts paid dividends in a major way when al-Qaeda cells claimed responsibility for the simultaneous suicide bombing attacks on three Western housing compounds in Riyadh, which left 29 dead and nearly 200 injured, including a number of Britons. Soon after the attacks the Saudi government, in the person of the influential Interior Minister Prince Naif, acknowledged that bombers linked to the al-Qaeda network had carried out the attack and that they were intent on stepping up their terror in order to destabilize the state.

In an address to the nation after these bomb blasts Prince Abdullah said: ‘The bloody and painful events in Riyadh... have once again proved that the terrorists are criminals and butchers’. He also confirmed that the bombings also showed the total disregard of terrorists for any Islamic and humanitarian principles. ‘They have abandoned all moral values and [have] become vicious monsters whose only intent is to spill blood and terrorise peaceful people’.

He emphasised that the Kingdom would not allow a few people to undermine its security and he warned those who sympathised with terrorists and attempted to find justification for their acts in the name of religion would be ‘considered a full accomplice to the terrorists and will meet the same fate’.

The al-Qaeda attacks that followed the Riyadh bombings targeted civilian, and military targets as well as oil installations. In June 2004, three gun attacks in Riyadh left two Americans and a BBC cameraman dead, and BBC Security Correspondent Frank Gardner seriously wounded. In February 2006, the Saudi authorities announced

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that they had foiled a suicide attack on a major oil-processing plant at Abqaiq—ominously, the first direct assault on Saudi oil production.

Apart from claiming the lives of hundreds of people and injuring even more, the intention of the bombers was to destabilize Saudi economic life and social stability in order to undermine the rule of law and the legitimacy of the government. The efforts of the terrorists certainly highlighted the potential vulnerability of the ruling family and brought about significant external pressure on the authorities to act.

Ironically, this campaign against the Saudi state, which had its genesis in the opening up of the country to non-Muslim troops at the start of the 1990s, commenced at around the same time as the US government decided to transfer its military forces from Saudi territory to neighbouring Qatar in the second part of 2003. This did not limit Bin Laden’s rhetorical attacks on the kingdom. A December 2004 tape circulated by the al-Qaeda leader was no less vehement in its description of the Saudi royal family as ‘infidels’, and its call on every Muslim to overthrow the House of Saud by violent means.60

However, the Riyadh bombing brought about a crackdown on Islamist radicals by the Saudi authorities. Over the course of 2004 this made real progress. According to Saudi Arabia’s Ambassador in London, Prince Turki al-Faisal, by 2005 the government had arrested and detained more than 600 individuals and questioned over

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2,000 others. On top of this dozens of suspects were extradited from other countries and major al-Qaeda cells were identified and dismantled.61

Most notably, Khaled Ali Hajj, the leader of al-Qaeda in the Arabian Peninsula – a Yemeni and a former bodyguard of Bin Laden – was ambushed and killed by Saudi troops. Though his successor, a Saudi called Abdul Aziz al-Muqrin, managed to lead a counter-offensive, he too was soon killed. Following his death, Saudi Crown Prince Abdullah offered those members of al-Qaeda who had not been directly involved in killing a deal. They could benefit from an amnesty if they turned themselves in. If they refused to do so, then this ‘deviant group will meet the same fate [as Muqrin] or worse’. 62

Al-Qaeda operations put the Saudi authorities to great expense and increased the feeling of domestic instability over a sustained period of time. They also succeeded in causing foreign partners like Britain to reassess the safety of Saudi Arabia for its citizens. In June 2004, the British embassy in Riyadh authorised the voluntary departure of non-essential staff and their families, and British Airways announced that flight crews would no longer stay overnight in Saudi Arabia because of security problems. In January 2005 the airline decided to axe flights to the kingdom altogether.63

However, al-Qaeda in the Arabian Peninsula could not claim any sustained success in recruiting Saudi nationals to wage war against the regime at home. At its peak, al-

63 Hollis, Britain and the Middle East in the 9/11 Era, pp.173-174.
Qaeda could only claim between 500 and 600 members across the entire country. Nor did it succeed in offering itself as a realistic ideological alternative to the status quo to the significant majority of Saudi citizens who considered themselves religiously devout and socially conservative.64

This failure to gain popular, nation-wide, support was crucial. As was the tendency of militants (and Saudi watchers in the west) to underestimate the commitment and capabilities of the specialized unit dedicated to spearheading the Saudi counter-terror effort. In particular, the regime’s extensive and sophisticated intelligence apparatus was able to identify and respond to threats quickly and to locate and neutralize leading radicals. Indeed, those on the original list of the more than twenty most wanted al-Qaeda figures were captured or killed in relatively quick time.65

The objective of this effective and extensive counter-terror policy was two-fold – to neutralize the al-Qaeda threat to the Saudi state and to ensure that a similar organization did not re-emerge in the medium term.66 As the next chapter will show, as Saudi rulers re-evaluated internal security needs and developed a new anti-terror strategy, they also moved closer to those external parties, in particular the US and Britain, who were leading the War on Terror.

65 Ibid., p. 15.  
Chapter 5

Learning together: Anglo-Saudi Cooperation in the War on Terror

Already by the end of 2002 Saudi Arabia had stepped up its support for many international and regional efforts in the fight against terrorism through multilateral and bilateral agreements. This saw them begin to work more closely with the US, European, and Asian governments as well as the United Nations in order to ensure that information was shared more quickly and effectively than in the pre-9/11 era.

This commitment resulted in the establishment of a number of major Saudi initiatives in the counter-terror sphere. These included:

• The establishment of a counterterrorism committee with the US made up of intelligence and internal security personal to share expertise and information.
• The encouragement of Saudi government departments and banks to participate in international seminars, conferences and symposia on combating terrorist financing activities.
• Fostering the exchange of information on money laundering between the Saudi Arabian Monetary Authority (SAMA) and international organizations

As King Fahd stated in a message to Hajj pilgrims in Mecca in February 2004, at the height of the al-Qaeda insurgency:

‘The Kingdom’s stance against terrorism is fundamental. It has urged the international community to confront the menace of terrorism, and has supported all peace-loving

countries in their efforts to uproot terrorism. It called on all peace-loving countries to adopt a comprehensive program within the framework of international legitimacy for combating terrorism so as to enhance the pillars of security and stability.²

Following his succession in 2005, King Abdullah embraced Fahd’s approach. He hosted the “Counter-Terrorism International Conference” in Riyadh, which saw 51 ministerial-level delegates and nine international organisations participate in various counterterrorism workshops and sessions.

Importantly, the Saudi counter-terrorism strategy quickly evolved over this period into a sophisticated approach that revolved around three core pillars.

- **Prevention:** Based on the introduction of numerous programmes intended to educate the public about radical Islam and extremism, as well as to provide alternatives to radicalisation among young men. These programmes included sports, lectures and advertising campaigns.

- **Rehabilitation:** Built around a counselling programme intended to re-educate radical Islamists and to convince terrorists of the error of their past ways. Central to this was the use of religious scholars who were tasked with showing prisoners the correct interpretation of Islamic teaching and doctrine. Family involvement was also part of the programme of re-education.

- **Aftercare programs:** The Ministry of Interior introduced a number of projects that ensured that rehabilitation continued after the individual’s release from

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prison. This included efforts to integrate former prisoners back into society and to provide support systems.

Taken as a whole this holistic, three-pronged strategy started to be studied, and in parts adopted, by a number of other nations including Britain in their own counter-terror strategies.³

Even prior to 9/11 Britain had looked to consolidate its position as a leading partner of Saudi Arabia and its GCC allies in the quest for stability and security in the region. In May 2000, for example, a major conference was held at the Royal United Services Institute (RUSI) under the working title “The Gulf: Future Security and British Policy”, which was organized by the British Ministry of Defence and its counterparts from the GCC countries.

During the 1990s British military assistance projects in Saudi Arabia included a British Military Mission to the Saudi Arabian National Guard. This provided advice on such issues as officer training and developing basic military skills, as well as in more specialised areas such as anti-terrorism.

In addition, a separate, specialised British team assisted in the procurement and commissioning of a new communications system for the National Guard. A small Royal Navy liaison team provided support to the King Fahd Naval Academy at Jubail. There were also occasional joint exercises between UK and Saudi forces such as

when HMS Illustrious took part in exercises with Saudi vessels when the Carrier Task Group was in the region.

Post 9/11, and in the face of a major radical Islamist threat, the mutual benefit for both Britain and Saudi Arabia of cooperation in the security sphere was even greater. This was reflected in cooperation between both countries in traditional areas of counter terrorism. For example, London and Riyadh worked closely on a multilateral level in pushing through UN draft resolutions that resulted in the passing of UN Security Council Resolution 1373. This provided the UN seal of approval for the implementation of harsh measures against terrorists, their financial backers and their networks of support. Resolution 1373 also opened the way for the implementation of regional instruments such as a European Arrest Warrant that allowed for speedy extradition between European states.\(^4\)

On a bilateral level, to take one example, in its efforts to designate Saudi organizations as fronts for terror financing the authorities in Riyadh worked closely with Britain. In one example, they froze the assets of Saad Al-Faqih’s Movement for Islamic Reform in Arabia (MIRA) for allegedly providing support to Al-Qaeda. Al-Faqih was named on the UN Security Council Resolution 1267 list of individuals tied to Al-Qaeda.\(^5\)

In numerous meetings between senior Saudi and British officials the discussions focused on extending terror cooperation. Notably, in 2005, talks between British

Defence Secretary John Reid and his Saudi counterpart Prince Sultan bin Abdul Aziz, looked to formalize cooperation in the counter-terror sphere in a number of areas.\textsuperscript{6}

British Ambassador to Saudi Arabia, William Patey, praised the Saudi-British efforts to fight terror. ‘There is an excellent cooperation’ Patey explained, ‘between the two countries in the field of information exchange and experts’ visits as well as training and technical knowhow’. By 2006, a House of Commons report had concluded that the relationship between London and Riyadh in the anti-terror sphere was of critical strategic importance and, as such, designated Saudi Arabia as a crucial ally in the ‘war against terrorism’. The report continued to note that:

‘Saudi Arabia is taking the threat of terrorism very seriously and is providing valuable assistance to the international community in this area. The Kingdom has put in place an effective security-focused strategy targeting individuals and this has had a forceful impact on the al Qaida presence in the Kingdom’.

At the same time the report called for deeper cooperation and recommended that the British government even consider raising with Riyadh the possibility of establishing a regional terrorism centre in the Gulf headed by Saudi Arabia.\textsuperscript{7}

Thus it is not surprising that British officials also categorically rejected allegations that had abounded since 9/11, including across the British media, that Saudi Arabia was either unable or unwilling to crack down on home-grown radicals and terrorists based on their territory, and that terror groups outside the kingdom were being


\textsuperscript{7} \textit{Foreign Policy Aspects of the War against Terrorism}, House of Commons Foreign Affairs Committee, Fourth Report of Session 2005–06.
financed from inside Saudi Arabia. Instead the British government was insistent that the Saudi government had ‘succeeded in their quest to stop home financing of these groups’.  

This was not simply political posturing on behalf of the Blair government. The highly regarded independent and bipartisan 9/11 Commission of Enquiry in Washington similarly concluded that there was no evidence that Saudi officials were in collusion with terrorists or that Saudi officials provided financial or any other kind of support for terrorists.  

Following the publication of these findings the country’s foreign minister Saud al-Faisal praised the report as ending permanently negative speculation about Saudi Arabia’s stand against terrorism. He continued:

‘The 9/11 Commission has put to rest the false accusations that have cast fear and doubt over Saudi Arabia. For too long Saudi Arabia stood morbidly accused of funding and supporting terrorism. In contrast to the insinuations of the infamous congressional report... which aimed at perpetuating these myths instead of investigating them seriously, now there are clear findings by an independent commission that separate fact from fiction’.

While the British government, if not the media, was content that Saudi Arabia was doing all it could to fight terror, it was more concerned about the methods that the Saudi authorities used both in taking on terrorists and in dealing with more

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8 ‘Islam has nothing to do with terror – UK envoy’, Saudi Gazette, August 1, 2008.
conventional crime. This became an especially sensitive issue following a series of bomb attacks in Riyadh in 2000-1 that targeted the large expatriate community. This led to the arrest of a number of Britons, including some of the injured. The Saudis claimed that those arrested had been part of a criminal gang involved in the sale of illegal alcohol.

What was more shocking back home were the revelations that the suspects had been tortured and that they had allegedly signed false confessions under intolerable conditions. Unwilling to damage bilateral relations at a hugely sensitive time the British government looked to minimize publicity surrounding the case and even tried to discourage the families of the five British suspects from lobbying to get their relatives released.

Though the British government believed that it was vital to keep this matter as confidential as possible, in early 2002 Blair sent one of his ministers, Lady Symons, to Riyadh to work for the release of the British suspects. Foreign Secretary Jack Straw was also involved in trying to gain their release. It was only in 2003 that the majority of the men were eventually released as part of a prisoner swap that included the return of a number of Saudi detainees at Guantánamo Bay to their home country.

For some onlookers the whole affair was a reminder of the lack of transparency that defined the Anglo-Saudi relationship in some contexts (such as business practices in the arms trade examined in a previous chapter). It also drew attention to the issue of

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11 Rosemary Hollis, Britain and the Middle East in the 9/11 Era, p.171.
human rights more generally. Over the previous two decades, Saudi Arabia had addressed Human Rights in a number of ways:

- The authorisation for the establishment of an independent non-governmental body to help publicise and protect Human Rights.
- The establishment of a national governmental body, reporting directly to the King, vested with the authority to look into all allegations of Human Rights abuses.
- The establishment of Human Rights sections in government agencies, including the Ministry of Justice, the Ministry of the Interior, the Ministry of Foreign Affairs and the Ministry of Labour and Social Affairs, to emphasise the vital need for compliance with Human Rights regulations and principles.

In May 2002, a new law was introduced that regulated the rights of defendants and suspects before courts and the police. The criminal procedure law gave suspects and defendants the right to hire lawyers during all stages of detention, investigation and trial. The law forbade any physical or moral harm to be used to extract confessions from detainees and demanded that detainees be questioned within 24 hours of their arrest.12

On October 27, 2002, a special UN Human Rights envoy visited the Kingdom and expressed the view that the legal system in Saudi Arabia was improving and particularly pinpointed the on-going structural and procedural changes. He also stated the opinion that the new criminal procedure code ‘represents an important step in the regulation of the administration of justice’.

The envoy praised Saudi Arabia for ratifying three international conventions – on the elimination of discrimination against women, torture and the rights of children. The Special UN Human Rights envoy also stated the view that ‘The administration of justice in Saudi Arabia is guided by Islamic Shariah, which contains many of the guarantees with respect to the independence of the judiciary, the right to a fair trial and due process contained in international Human Rights law. It is not disputed that the essence of the Shariah is the pursuit of justice’.\(^\text{13}\)

In May 2003, Foreign Minister Prince Saud Al-Faisal announced King Fahd’s approval of the establishment of an independent Human Rights organisation in Saudi Arabia. In October 2003, the Kingdom held a Human Rights conference entitled “Human_Rights in Peace and War”.\(^\text{14}\) The conference concluded with the “Riyadh Declaration”, which listed a plethora of basic rights, including the prohibition by Islamic law of detention without legal basis and that a human being deserves respect, regardless of race, colour, or sex.\(^\text{15}\)

Over this period the British Government was committed to encouraging Saudi Arabia to improve its human rights record. British officials discussed their concerns about human rights with the Saudi authorities at ambassadorial and ministerial level, including in relation to specific cases involving Britons. The Foreign and Commonwealth Office (FCO) had a very clear position on the matter which took into account the need for human rights and the more realist requirements of bilateral economic and security ties.


\(^{15}\) Ibid.
The FCO argued that overall, the Saudi Arabian government’s approach to human rights, led by the King, had been to continue making incremental improvements, while recognising the tensions between reform and tradition in this inherently conservative kingdom. The FCO also used its Global Opportunities Fund to encourage the strengthening of civil society in Saudi Arabia by supporting the training of journalists and other members of the nascent civil society. The British Council was also engaged in supporting the process of reform in the human rights sphere.16

As such, there was a positive response from British government officials and NGOs over the decision of King Fahd to establish the National Human Rights Association in March 2004. This was the first independent Saudi human rights organization. This unprecedented move was announced following an appeal by almost 1000 Saudi reformers to the Crown Prince in February 2004 to implement reforms across all parts of society and, in particular, to build up civil society.

In September 2005, the government also established the Saudi Human Rights Commission (HRC), tasked with overseeing proper compliance with human rights standards. In 2007, the annual human rights report published by the British government welcomed these moves, as well as the Saudi decision to allow Human Rights Watch (HRW) to send a delegation to the kingdom.

As noted above, both political and economic considerations consistently influenced the British approach to human rights in Saudi Arabia. As highlighted earlier, in the mid-1990s, London had become a favourite location for radical Islamists, including Bin Laden, looking to establish a base to attack the Saudi leadership. At the same time other anti-Saud opposition groups and political exiles, some solely focused on championing democracy, human rights and reform in the kingdom, and others whose links to radicals was less clear, settled in London.

One such figure was Mohammed al-Masari, a physicist who fled from Saudi Arabia in 1994. Along with Saad al-Faqih he became a leading figure in the London-based Committee for Defence of Legitimate Rights (CDLR) that was also established in the year al-Masari arrived in London. The CDLR promoted non-violent opposition as a vehicle for change in Saudi Arabia. It had a wide network of supporters both inside and outside of Saudi Arabia and was highly vocal in its attacks on the kingdom’s leaders.

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Having recovered from the initial shock of the Iraqi invasion of Kuwait and the boldness of the internal opposition, in the mid-1990s the Saudi leadership moved to take a tougher line on criticism beyond a certain extent. This included taking a tougher stance on those living outside its borders calling for reform and regime change.

It was in this context that in late 1994, the Saudi government applied significant pressure on the British government over al-Masrai’s request for political asylum. Ultimately, the Home Office officially refused this application and in a highly unusual move even ignored the decision of the British Immigration Appeals Tribunal to uphold al-Masari’s appeal.\(^\text{20}\)

It was contradictory signals like this that plagued the British position. On the one hand promoting human rights and, on the other, attempting to satisfy the demands of both their partners in Riyadh and the domestic business community in Britain, which had significant financial and economic interests and opportunities in Saudi Arabia.

In other words, while promoting access to fundamental freedoms the British government in the post-9/11 era had to work hard to ensure that it did not act in any way that damaged the bilateral economic-political and strategic relationship.

Having said that, this did not mean that British officials downplayed the importance of reform in Saudi Arabia. In particular, they drew on their own transitional experience from a monarchical system to a parliamentary democracy to influence

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Saudi leaders to embrace a more representative, open and transparent political system as well as the institutionalization of other fundamental freedoms.\(^{21}\) This was in line with demands of the pro-democracy and reform movement that had evolved in Saudi Arabia at the time of the Gulf crisis of 1990-91.

In December 1990, for example, the so-called “secular” petition to King Fahd was set out. Though it was careful to state respect for, and adherence to, the traditional religious basis of the Saudi state it also called for specific changes in the political sphere.

These included the establishment of a consultative assembly and the revival of municipal councils. On a societal level demands included the independence of the judiciary, greater freedom for the media and an increased role for women in society and the reform of the education system.\(^{22}\)

Working in partnership with Saudi Arabia the British had a long tradition of sharing their experience in such fields as vocational and technical training for judges, journalists and businesswomen. There was also real British support for the gradual attempts at reform being initiated in Saudi Arabia in the wake of the Kuwait crisis of 1990-91.

The response to this at the highest levels of the Saudi government was not immediate. Nor was it comprehensive. But it was substantive and it evolved over the 1990s. It began when King Fahd took the first step to pacify and contain opposition voices, by  


announcing three important reforms: The Basic Law of Government, the Law of the Consultative Council, and the Law of Provinces.\textsuperscript{23}

The Majalis Al-Shura (Consultative Council) was inaugurated in 1993 with 60 members appointed by the king (this number was increased to 90 in 1997). The Majalis Al-Shura was seen variously as an initial move towards parliamentary democracy and as a sham designed to give only a veneer of participatory governance. It certainly did not meet all the demands of reformers.\textsuperscript{24}

In announcing the formation of the Majils, King Fahd made it clear that it was purely advisory. He further articulated a message that open elections and prevailing norms of democracy were not suitable for the kingdom on the grounds that ‘the democratic systems prevailing in the world are systems which, in their structure, do not suit this region and our people. The system of free elections is not part of Islamic theology’.\textsuperscript{25}

Over the next decade similar demands continued to be expressed and such calls for reform continued to grow louder in the post-9/11 period. Partly, as happened after the Kuwait invasion of 1990, the Saudi state now faced mounting pressure to go beyond the rhetoric of reform and introduce a series of practical measures on the matter.

Crown Prince Abdullah, who would become King in early 2005, also played a lead role in initiating consultations with various groups on possible courses of action. He started what he called a “national dialogue” and proposed municipal elections. Prince Bandar Ben Khalid, a rising member of the ruling family, called for accelerating

\textsuperscript{24}Angel Rabasa, \textit{The Muslim world after 9/11}, pp.106-107.
political reform to maintain the stability of the regime, including a decentralized system where regions and groups would have more say in their affairs.\(^{26}\)

The shadow of al-Qaeda cast a long shadow over Saudi intellectual life in the post-9/11 era. In particular, it forced Saudi intellectuals to come to terms with the shortcoming of their religious, political and economic conditions. Academics, religious scholars, lawyers, writers, journalists, women and minorities all demanded new forms of governance to replace the traditional authoritarian way of doing things.

Notably, in 2003, six petitions were submitted to the government. They all demanded major political changes. In January 2003, a “National Reform Document”, submitted to the Crown Prince by over 100 liberal figures including moderate Islamists and intellectuals called for the establishment of a constitutional monarchy in Saudi Arabia. A further petition at the end of the year called for similar changes.\(^{27}\)

In January 2003 formal reform proposals were presented to Crown Prince Abdullah in “A Strategic Vision for the Present and Future”. While accepting the legitimacy of the royal family and invoking Islamic precepts, the document called for the separation of powers, the introduction of popular representation and participation, and a framework for establishing civil society organisations.\(^{28}\)

The signatories were educated, professional and middleclass, thus reflecting the social change of the previous three decades. They signed as individuals and there was no

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\(^{19}\) Ibid., p.13.


organisational representation, indicative of the loose and limited nature of civil society. This was followed by a National Forum for Dialogue attended by liberal and moderate Islamist reformers.

Popular support for reform was signalled later in the year with an unprecedented public demonstration demanding freedom of expression. In recognition of pressures for liberal reform the government introduced a Shura (Consultative) Council, which committed itself to holding the first elections in the Kingdom in 2004, although these were limited to municipal councils.\(^{29}\)

These documents emphasized the need for constitutional government as well as the separation of powers and the introduction of direct elections to a shura council and regional elections. They also raised the issues of human rights, ethnic, religious and gender discrimination and socio-economic issues.\(^{30}\) Interestingly, much thought was dedicated in these documents to socio-economic reforms. Included in demands on this issue were:

- More fairness in economic planning and a more even distribution of wealth across different geographic regions and strata of society.
- Controlling public spending, fighting corruption and stamping out bribery and the misappropriation of public land.
- Improving and developing institutional means of oversight and accountability.
- Addressing the problem of national debt and investing resources in future generations through diversification away from oil.


The British response to these events was positive. At a February 2005 press conference in London also attended by then Saudi ambassador to Britain, Prince Turki Al Faisal, British Foreign Secretary Jack Straw explained that reform should be an ‘evolutionary’ process, adding that he would not be surprised if women got the vote in the next election. No less controversially, he also said that Saudi Arabia had to fight a misconception that emulating Western society, seen as materialistic and lacking in spiritual values, could ‘unravel the moral fabric of [Saudi] society’

Straw also described the elections in Saudi Arabia as evidence of a real desire across the country, and the region as a whole, for democratic reforms. He also expressed the view that the election was a vital stage in popular engagement in politics for the people of Saudi Arabia.\footnote{Agence France Presse, March 10 2005.}

In the same month the first meeting of the “Two Kingdoms” forum was convened. This bilateral forum was established by Saudi Arabia and Britain to facilitate dialogue on several fronts and was jointly hosted by Straw and his Saudi counterpart Prince Saud.

Topping the agenda were political and economic reform, as well as the evolving role of youth and women in Saudi Arabia. Speaking at the event Straw was in no doubt
that ‘All of this represents a strong partnership for change, modernization and reform, and one which we have both resolved to develop even further’. He went further, stressing the importance of the friendship of Saudi Arabia to Britain explaining that:

‘It is characteristic of friendship that we work together not just in easy times, but in tough times as well. We know that managing change requires courage and leadership, but we know too that it is vitally important to preserving and strengthening the values of justice, security and prosperity, which we share both in our own societies and in the wider world. Hence, ours is a relationship of deep and broad engagement. For its part, the UK will do all that we can to strengthen that engagement so as to accompany the Kingdom of Saudi Arabia with support, solidarity and understanding as it shapes its future’.  

A second meeting was held in April 2006. At the time Straw told parliament that the real significance of these meetings was that it showed the sincere desire of the Saudi leadership to deal seriously with domestic reform in all its forms.  

Over the tumultuous period of the immediate post-9/11 era Saudi Arabia and Britain developed mutually productive and deep ties in the realm of counter-terrorism. Both countries taught each other and benefitted from sharing their expertise and experience. At the same time the matter of socio-economic and political reform in Saudi Arabia came to preoccupy bilateral relations.

From 2003 all this took place in the context of the US invasion of Iraq. This raised further profound challenges and questions for both countries. It highlighted very real differences and divisions, as well as a basic fundamental desire for cooperation amid shared interests. As the next chapter will show, these tensions would drive forward the bilateral relationship in the face of one of its most challenging periods following the invasion of Iraq in March 2003.
Chapter 6

The Politics of Difference: The Invasion of Iraq and bilateral Anglo-Saudi Relations

This chapter examines the impact of the Iraq crisis and US-led invasion in 2003 on bilateral relations between Saudi Arabia and Britain. It charts the directions that both kingdoms took on the road to war and will examine how differences of principle and policy between the two countries over the campaign to oust Saddam Hussein strained, but ultimately did not undermine, Anglo-Saudi ties.

As noted in the previous chapter, in 2003 Saudi Arabia began to experience terror attacks on an unprecedented scale at the hands of al-Qaeda in the Arabian Peninsula at exactly the same time as the Iraq crisis reached its climax in March 2003 with the invasion of Iraq. Two years after the invasion, in July 2005, Britain would experience its own unprecedented terror attacks in London. In their wake the Saudi experience with “home-grown” terrorists and their evolving strategy to deal with them by “soft power” methods, as examined in the last chapter, became more relevant to the British situation than ever before. At the same time, the link between domestic terror and the war in Iraq arguably transpired to be the main bone of contention between Saudi and British leaders after the London bombings of July 2005.

During the Gulf conflict of 1990-91, the Saudis had been amongst the most vociferous members of the anti-Saddam alliance in terms of calling for the US-led coalition to actively attempt to remove Saddam Hussein from power. Following the conclusion of that crisis and over the course of the subsequent decade Saudi Arabia continued to view Saddam Hussein as an on-going threat to the stability and security of both the
region in general and the kingdom in particular. For example, even in the wake of
Saddam’s defeat in Kuwait, Riyadh still considered Saddam as more likely to initiate
the use of non-conventional weapons than its long-time protagonist Iran.

As such, Saudi Arabia continued to support the Anglo-American strategy of
containing the Iraqi threat. This was seen most clearly in its willingness to host non-
Muslim troops from 1990 until the middle of 2003 and its status as a key base for
western military operations to enforce the no-fly zone over southern Iraq (Operation
Southern Watch) over that time.

From the end of the Kuwait crisis onwards Britain and Saudi Arabia began to invest
heavily in the Iraqi opposition in the hope of building up a viable alternative to
Saddam’s leadership. Covert operations in pursuit of this goal saw cooperation
between British, US and Saudi intelligence organizations. For example, under a US-
financed covert action programme established with US$40 million in 1991, Britain’s
MI6 and the CIA worked closely with Saudi intelligence under Prince Turki to
establish the Iraqi National Accord (INA), a umbrella group for the Iraqi opposition.¹

In the decade after Kuwait was liberated, Riyadh’s policy towards Baghdad was
dominated by four key concerns: domestic stability, foreign meddling, oil production
policy, and Iraq’s political evolution (especially the role of the Shia). Of these, far and
away the most important to Riyadh was its own stability in the face of on-going crisis
in its neighbour.²

In these years Saudi officials regularly cited provocations by Iraq. On June 4, 2001, for example, the Saudi Ambassador to the United Nation charged that Iraq had staged 11 raids on Saudi border outposts in the first half of that year alone.³

However, the pursuit of stability not only required Riyadh to cooperate with London and Washington on the military level but also demanded that Saudi policymakers be willing to undertake limited political engagement with Iraq even if Saddam Hussein remained as president.

This demonstration of pragmatism was the cause of the first major difference of opinion in dealing with Saddam that separated Saudi officials from their British (and US) counterparts. In the immediate post-Kuwait period the John Major government shared the position of the new Clinton administration in Washington that the threat of force and the sanctions system put in place by the UN were central to keeping the aspirations of Saddam Hussein in check. RAF fighter aircraft, for example, consistently enforced the no-fly zones in northern and southern Iraq.⁴

This placed significant strains on Britain financially and also fuelled diplomatic tensions with other EU member states more open to returning to normal relations with Iraq following the resolution to the Kuwait crisis.⁵ However, the British were determined to adhere to their tough position on the sanctions regime, though their position was to a large extent influenced by the attitude of Washington at any given


time. For example, when US Defence Secretary Dick Cheney questioned the effectiveness of sanctions publicly in December 1990, his British counterpart Tom King did the same although he had stated the opposite position only shortly before.  

Sanctions had been imposed on Iraq on the basis of UN Security Council Resolution 661 of 1990. At the time these were the most wide-ranging economic sanctions ever instituted by the UN. The resolution covered the import and export of oil, weapons and certain types of manufactured goods but did not include medical and humanitarian products or foodstuffs, all of which could be traded with the permission of UN officials tasked with policing the sanction regime.

By the time that the Iraqi military had been expelled from Kuwait in February 1991, there were already concerns being raised over the negative humanitarian impact that sanctions were having on the general population. This resulted in the UN Security Council agreeing to allow Iraq to sell a proportion of its oil to finance humanitarian imports.

In the immediate post-Kuwait period Riyadh shared the same view of sanctions as London. They were a necessary evil in the attempt to contain Saddam’s threat. However, as it became inevitable that Saddam would remain in power and that Saudi Arabia and the other Arab Gulf states would have to come to terms with living next to a Saddam-led Iraq for the foreseeable future, Saudi officials became distinctly uneasy in continuing to support an open-ended sanctions policy in public, or even discussing it. Notably, Crown Prince Abdullah was openly hostile to UN oil sanctions policy, on

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the grounds that those worst affected were not Saddam’s closest and most loyal supporters but the average Iraqi man, woman and child.

Though Iraq had little choice but to adhere to UN Security Council decisions, it was only in 1996 that the Iraqi government agreed to the oil export plan known as the Oil-for-Food scheme, which allowed for two-thirds of the oil revenues generated every six months to be used to buy humanitarian goods. In early 1998, the UN Security Council passed Resolution 1153. This increased the volume of oil Iraq could sell on a six-monthly basis from US$2 billion to US$5.2 billion, with US$3.4 billion allocated to humanitarian supplies.

However, the Iraqi oil industry was incapable of producing enough oil to reach these revenues especially as there was a lack of spare parts for vital oil machinery. This was just one major challenge that faced the Oil-for-Food programme. At the same time the humanitarian situation on the ground was becoming worse.8

The Blair government that took power in 1997 fully embraced the position of its predecessor on the issue of Iraq in terms of enforcing the no-fly zone and continuing the unforgiving sanctions regime. It also continued to work with anti-Saddam groups. By the end of the 1990s, British government ministers were in regular and on-going discussions with members of the more than a dozen Iraqi opposition organisations.9

In late October 1998, in response to an Iraqi decision to stop all cooperation with weapons inspectors, the Blair government fully supported the US decision to order

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8 Ibid., p. 15.
airstrikes. This was never implemented but following a damning report by Richard Butler, the head of UN Special Commission (UNSCOM) in mid-December 1998, Britain and the US undertook four days of airstrikes on Iraqi targets, known as “Operation Desert Fox”. In his justification for this decision Blair explained that ‘There is no realistic alternative to military force. We are taking this military action with real regret but also with real determination. We have exhausted all other avenues. We act because we must’.\(^\text{10}\)

Following Saddam’s call, in early 1999, for the people of the Arab world to rise up and overthrow their ‘charlatan leaders’, and the demands of Iraqi parliamentarians to break ties with Saudi Arabia and Kuwait for their anti-Iraq aggression, the Saudi Press Agency, in turn called for the overthrow of the ‘tyrant of Baghdad’. At the same time speculation increased that the Saudi leaders were willing to consider providing financial support for anti-Saddam opposition groups based outside Iraq.\(^\text{11}\)

As tensions rose in early 1999, primarily over two issues—the refusal of Saddam to allow UNSCOM officials to continue their work and rising Iraqi threats against Saudi Arabia and Kuwait—Britain took a lead role at the UN Security Council in trying to get the other permanent Security Council members (France, China and Russia) to join London and Washington in support of a military option. However, the British were

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unable to bring the sides together at this time, especially on how the international community should act on the weapons inspector issue.\textsuperscript{12}

It was in this context that Saudi Arabia, in 1999, proposed a plan to ease sanctions on Iraq for the benefit of the Iraqi civilian population. The core aspect of this proposal was that Iraq should now be allowed to sell oil to raise revenues to purchase all goods except those with a military purpose. Saudi Arabia’s five partners in the Gulf Cooperation Council (GCC) were not fully supportive of the proposal on Iraq. Neither were Britain or the US and it came to naught.

Again, in mid-February 2001, Britain launched air raids against Iraq that Blair defended on the grounds that they were part of a limited operation that served to protect British pilots operating over the skies of Iraq enforcing the no-fly zone.

There was widespread international criticism of this operation from across the international community including, importantly in the context of Saudi Arabia, the Arab League. Saudi Arabia was increasingly losing its appetite for seemingly endless clashes with Iraq. It was also becoming ever more sensitive to Iraqi accusations that it had the blood of innocent Iraqi civilians on its hands because, along with Kuwait, it provided the bases used by the coalition in its military operations.\textsuperscript{13} It appeared, at least in the view of policymakers in Riyadh, that Saudi Arabia was becoming increasingly vulnerable in terms of Arab opinion, for a military strategy being implemented by London and Washington.

\textsuperscript{13} The Observer, February 18 2001.
In early 2002, as tensions escalated once more between Britain and Iraq, Blair told parliament that Saddam posed a threat to ‘his own people and to the region and, if allowed to develop these weapons, a threat to us [Britain] also’. Crown Prince Abdullah was now openly opposed to the maintenance of UN sanctions against Iraq and reiterated his country’s refusal to allow the use of US military bases for allied airstrikes against Iraq.

Abdullah also looked to improve relations between Riyadh and Baghdad on the diplomatic and political level. In June 2002, for example, it was reported that the Saudi authorities were considering the negotiation of a free-trade agreement with Iraq. Underpinning this evolving approach was the awareness at the highest levels of the Saudi leadership that while it remained vital to keep Saddam’s regime militarily weak it was no longer either politically or economically feasible to keep the Iraqi people on their knees.

So while Saudi officials agreed that a militarily effective deterrent against Saddam was vital and that the US and Britain had to play the lead role in this, there was a growing consensus that a more subtle and productive approach to normalizing the situation in Iraq was called for.

This required that Saudis take an increasingly low profile in terms of providing support for Anglo-American military operations while increasing their visibility in terms of searching for an end to the sanctions regime.

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For its part Britain was a key opponent of proposals like that put forward by Saudi Arabia on reducing or diluting sanctions as a strategy to contain, neutralize, and ultimately end the threat posed by Saddam and his non-conventional weapons programme. For example, along with the US, Britain was the only permanent UN Security Council member state to argue for the continuation of sanctions until Saddam’s Iraq had proved that it no longer had a non-conventional weapons programme or arsenal.

However, sensitive to the rising criticism from European partners and regional allies, including Saudi Arabia, the British reluctantly looked to find a compromise agreement that allowed for sanctions to end once Iraq allowed UN weapons inspectors, removed in 1998, back into the country.\(^\text{15}\)

Such proposals became irrelevant once the Bush administration in Washington decided that an invasion of Iraq in order to remove Saddam Hussein would go ahead. This decision was arguably the most challenging development Saudi leaders faced since Saddam himself had invaded Kuwait in 1990.

The response of policymakers in Riyadh reflected the scale of the challenge they faced. As one well known critic of the House of Saud has put it, Saudi rulers adopted an ‘indecisive position, hiding behind a confused rhetoric of open objections to the war in regional Arab meetings and forums and implicit approval, and even important

co-operation in allowing US military command centres to conduct the war from its own territory'.

While this assessment is broadly correct, there is no doubt that the Saudi preference over the course of the pre-war period was a peaceful solution that avoided military engagement. With this as the goal Saudi leaders now urged Saddam to engage with international weapon inspectors and carry out the terms set down in UN resolutions. In an acknowledgement of the lack of a Saudi appetite for the conflict, the US decided in late 2002 to begin preparing to wage the war against Iraq from a Qatari rather than Saudi base.

Once the war got underway Saudi Arabia had two immediate priorities on a strategic and political level. The first was to ensure that its opposition to the war in Iraq did not impact too negatively on the vital strategic relationship with the US, all the more so as Qatar was looking to increase its own value as a key US ally in the context of its evolving centrality to the upcoming invasion and war.

The second priority was to ensure that the vital relationship with the US did not impact negatively on Saudi standing at home and in the wider Arab and Muslim world. Unlike the case in 1990, at the Arab regional level there was little appetite for conflict. In 2002 the Arab League, for example, was clear that an attack on Iraq would be the equivalent of an ‘attack on the national sovereignty of all Arab states’.

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Domestically, inside Saudi Arabia there was surprisingly wide-ranging consensus on the matter. Having lived for a generation with the menace of Saddam in its near abroad, the majority of Saudi popular opinion favoured the removal of the Iraqi president from power. However, similar to the position of anti-war protesters across the west, they only supported regime change if undertaken by the Iraqi people itself.

As such, opposition in principle to a US-led invasion to topple Saddam was wide and deep across society. Both conservative and religious constituencies, as well as liberals and reformers, and even ostensibly pro-western groups opposed the use of force at this time to oust Saddam.

Similar to the use of sanctions during the late 1990s and early 2000s, the use of force in this context was another important factor that created differences and tensions in the Anglo-Saudi relationship. Over the course of the summer and early autumn of 2002 the American and British governments had pressured Saudi Arabia to allow their forces to use Saudi territory in any likely future attack on Iraq.

This did result in the Saudi foreign minister expressing a willingness to allow the use of Saudi bases on these terms. However, and something that is important to note in terms of the Saudi acquiescence to this request, the Anglo-American pitch at this time was conditional on UN approval for such action and, even then, only if Saddam continued to refuse to allow the return of UN weapons inspectors.

However, the situation on the ground was changing rapidly. In September 2002 Saddam allowed UN inspectors back into the country. This immediately reduced the Saudi willingness to cooperate with British and American preparations for war from a
Saudi base in the short term.\textsuperscript{18} Moreover, as the end of 2002 approached it became increasingly unlikely that the US and Britain would achieve the UN backing for war that they had conditioned earlier Saudi support on.

Nevertheless, ingrained distaste and distrust of Saddam coupled to the importance attached to strategic and bilateral ties with Washington, and to a lesser extent London, continued to result in somewhat contradictory statements emanating from senior officials in Riyadh.

Despite the fact that it was becoming increasingly unlikely that the UN would endorse an invasion, the Saudis still appeared to be open to supporting military action that had the backing of the UN as, in the words of Foreign Minister Prince Saud al-Faisal, this ‘would not be considered an aggression’.\textsuperscript{19} In October 2002, Saudi officials also said that they would allow the use of its military facilities, most notably airbases and command and control posts, to wage war on Saddam if the proper UN resolutions were in place.

At the same time, from the summer of 2002, Abdullah’s spokesmen were making it clear that the future Saudi monarch was opposed to a war in Iraq.\textsuperscript{20} Crown Prince Abdullah expounded on this himself. Not only did he promise that there would be no use of bases on Saudi territory, he was also adamant that ‘our armed forces will, under no circumstances, step one foot into Iraqi territory’. He also made sure to state on the record the fact that ‘we do not accept that this war should threaten Iraq’s unity and sovereignty or that its resources or internal security should be subjected to a military

\textsuperscript{18} BBC News, September 17 2002.
\textsuperscript{19} BBC News, February 17 2003.
occupation’. Foreign minister Saud al-Faisal, who was expressing Saudi willingness to consider participation in a UN-backed operation was at the same time publicly stating that the use of Saudi bases would be prohibited in any military action.

At the beginning of March 2003 Saudi Arabia joined the other members of the Arab League, at a summit held in Doha, Qatar, in ruling out its participation in any war against Iraq. This in itself meant little. The Qatari hosts of the meeting were by this time playing a central role in war planning and US forces were preparing for the conflict only thirty miles away.

However, even allowing for the rhetoric that is common at such gatherings the preferred Saudi position, as well as that of the Arab League more generally, was that the stakes were so high and the risks so great that war should be deferred as long as possible and certainly long enough to provide further opportunities for Saddam to agree to allow weapons inspectors more time to do their job.

As such, a final communiqué issued by the meeting condemned ‘attempts to impose changes in the region’. While Crown Prince Abdullah, who led the Saudi delegation, reiterated that it would have no part in an anticipated US-led war on Iraq and warned that if the war went ahead nobody would be saved from the devastating aftermath. ‘Those who think otherwise’, he insisted ‘are mistaken’. For his part Prince Saud Al-Faisal told Al-Arabiya satellite TV, ‘We have stated clearly that we will not take part in this war, and that is our position’.

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22 Al-Jazeera, March 2 2003
On 18 March 2003 Saud al-Faisal once again stated categorically the official Saudi position, *vis a vis* the imminent invasion of Iraq. First, he explained that ‘under no circumstances will the Kingdom participate in the war against the brotherly nation of Iraq’. He then reiterated Saudi support only for action authorized by the UN and urged participants to ‘avoid engaging in a reckless adventure that endangers the safety of our country and people’.

The following day, 19 March 2003, saw the commencement of the US-led war against Iraq. On the same day a statement, issued in the name of King Fahd, was read out to the Saudi nation by Crown Prince Abdullah. Abdullah set out one by one the past efforts that his government had undertaken over the previous months to prevent the outbreak of war. He followed this up by setting out a list of principles that Saudi Arabia would adhere to for the duration of the conflict:

- Under no circumstances would his country participate and no Saudi armed forces would enter Iraqi territory.
- The war must end upon implementation of Security Council resolution 1441 to disarm Iraq of its weapons of mass destruction. Saudi Arabia totally opposed any infringement of Iraq’s territorial integrity, independence, wealth, internal security or it being subjected to military occupation.
- All parties must avoid an uncalculated adventure that subjected Saudi Arabia’s security and people to danger.

Finally, Abdullah linked the situation in Iraq with the Palestinian problem. On behalf of his king, he promised that Saudi Arabia would ‘endeavour to reach a swift settlement of the Palestinian problem, based on the Arab peace initiative, namely land
for peace’ and noted that Saudi officials had ‘clearly stressed’ in conversation with Western allies that the Palestinian issue lies at the ‘core of the solution for guaranteeing stability in the Middle East’.  

Since the time of Ibn Saud, the country’s leaders had made the issue a priority not just of its foreign policy but of its national policy. As the British foreign secretary told a cabinet meeting in 1975 after returning from a visit to Riyadh, Saudi Arabia was the only Arab country whose support for the Palestinians behind closed doors was as vehement as it was in public.

However, the Saudi focus on the Palestine issue at this time should not be viewed solely in terms of the historic commitment of the country to the Palestine issue. It should also be understood in the context of the March 2002 peace proposal by Crown Prince Abdullah – the Arab Peace Initiative (API) – disseminated in the *New York Times*.  

This ‘land for normalization initiative’, as the Israeli newspaper *Ha’aretz* termed it, called for full Israeli withdrawal from the West Bank, Gaza and part of Jerusalem, in return for Israeli sovereignty over Jerusalem’s Jewish Quarter and Arab recognition of Israel and a willingness to establish normal relations with Israel in the context of this comprehensive peace.

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This initiative was adopted by the Arab League at a summit in Beirut in 2002, a time when the conflict between Israel and the Palestinians raged in the wake of the failed Oslo peace process. The API built on the August 1981 eight-point plan proposed by then-Crown Prince Fahd and subsequently endorsed by the Arab League.

Britain and its EU partners immediately welcomed the API. EU foreign policy chief Javier Solana embraced Crown Prince Abdullah’s proposal as ‘an opportunity that has to be taken’ and flew directly to Saudi Arabia to flesh out its details before heading to Cairo to brief President Mubarak.\(^26\) For his part, President Jacques Chirac of France hailed the Saudi plan as ‘strong and courageous’.\(^27\) The British response was to commend Abdullah for being ‘very, very active diplomatically’ and to offer support to the Saudi government in pursuing its peace initiative.\(^28\) This British support for the API was welcomed by Saudi leaders. As Prince Saudi Al Faisal explained, ‘both Britain and Saudi Arabia widely share the same attitudes in favour of peace in the region’, adding that Saudi Arabia regards the Arab Peace Initiative as the ‘most realistic alternative, capable of putting an end to the longest conflict in the modern era’, and expressing his hope that both the Palestinians and Israelis would adopt the initiative and seek to implement it as soon as possible.\(^29\)

However, while Saudi leaders were willing to present a united front with the British position on Palestine, they were less willing to do the same over Iraq. Unlike his counterparts, Tony Blair fully backed the US decision to go to war. As had been the case during the Kuwait crisis in the early 1990s Britain was once more the largest

\(^{27}\) *Haaretz*, 27 February 2002.
\(^{28}\) *The Times*, 1 March 2002
\(^{29}\) ‘Arab summit adopts Saudi peace initiative’, *CNN.Com*, March 28, 2002
contributing western military force apart from the US. In 2003 the UK committed 46,000 troops to Operation Iraq Freedom. This decision aroused significant opposition inside the ruling Labour party and resulted in widespread anti-war protests across British society. Record crowds, numbering in the dozens, and in some cases, hundreds of thousands took to the streets of London and other major British cities to protest the invasion.

Despite distancing the regime from the war efforts of London and Washington, once the fighting commenced the Saudi leadership still had to fend off attacks from Arab anti-Western leaders like Libya’s Colonel Muhammar Qaddafi. This is not surprising as the Saudi position for the duration of the war remained somewhat contradictory. The country’s leader’s continued to express their support for a diplomatic solution but also expressed the view that Saddam Hussein needed to give up office in the interests of the Iraqi people. Moreover, while they were adamant that no troops would enter Iraq from Saudi territory, as near to the actual war as 8 March 2003, the Saudi defence minister Prince Sultan bin Abd al Aziz was acknowledging that US troops were using air facilities in northern Saudi Arabia for ‘help in a technical matter’. 30

Indeed, for the duration of the conflict military bases in the kingdom were used for secondary purposes including air traffic control and radio monitoring and the US-led coalition was also allowed to use Saudi airspace to conduct military operations. Even the announcement by US defence secretary Donald Rumsfeld, in late April 2003 on a visit to Riyadh, that with the exception of around 400 training staff, the 5,000 US

military personnel in Saudi Arabia would be withdrawn by the summer of 2003, did little to reduce the confusion on the actual Saudi role.\textsuperscript{31}

Partly in an attempt to provide some clarity, as soon as the initial phase of the US-led invasion was completed and Saddam’s military capability had been destroyed in April 2003, Saudi officials called for the UN to take over from coalition forces then occupying Iraq. Saudi Arabia also played host to a regional summit in April 2003 that called for the end to external interference in Iraq’s internal affairs.

The British position in the months immediately following the March invasion could not have been more different from that of Saudi Arabia. On May 5 2003, in the wake of the initial war phase, Britain reopened its embassy in Iraq, though the mission did not have official status at that time, as there was as yet no central government in Iraq that had standing in international law.

In the same month Britain, along with Spain and the US drafted and introduced the UN Security Council draft resolution calling for the reconstruction of Iraq (UNSC Resolution 1483). This resolution ended sanctions after almost a decade and a half. It also redrew, temporarily at least, the map of Iraq, by dividing the country into three sectors to be administered by the US, Britain and Poland. The British area was in southern Iraq were the priority was stabilizing security and tackling the humanitarian crisis before it got out of hand. Britain also co-chaired, alongside the UN, the Southern Iraq Donor Group, which was intended to bring all the major civilian and

military agencies together to better co-ordinate and provide for the reconstruction and development of the southern region of the country.

In a subsequent statement to parliament, Foreign Secretary Jack Straw explained in detail the nature of the British occupation and reconstruction efforts in Iraq, in particular, the south of the country.

Speaking subsequently, Straw informed members of parliament that between 2003 and 2006 the British involvement in Iraq had cost £750 million. Of this the Department for International Development (DfID) had committed £131 million for infrastructure rehabilitation, of which £53 million has been spent on employment creation and improving local administration, along with a £40 million project for improved power and water supplies in southern Iraq. The power and water project was intended to help central government design an effective long-term infrastructure strategy. He also explained his government’s support for a Governance Development Fund to provide project funding for Iraqi capacity building.32

In July 2005, Crown Prince Abdullah and Prime Minister Blair met in Riyadh to discuss the situation in Iraq. Prince Sultan, the Saudi minister of defence, and the country’s labour minister, Ghazi al-Gosaibi, also participated as did the influential then Saudi ambassador in London, Turki al-Faisal. The imminent Iraq donor’s conference scheduled for later in the month in Amman, Jordan, dominated discussions.

During the meeting Blair, who was in Riyadh not simply as British prime minister but also then temporary president of the G-8, briefed his Saudi hosts on the discussions in

Brussels that had been held at the end of June where nearly one hundred officials from the US and Europe discussed the Iraq issue.\textsuperscript{33} Blair also used the meeting as an opportunity to thank Prince Abdullah for Saudi Arabia’s support in the economic and political reconstruction of Iraq.\textsuperscript{34}

From the time of the invasion Saudi Arabia had provided humanitarian supplies, such as food and medicine, as well as water purification machinery to improve the situation in war-torn Iraq. In what was arguably an acknowledgement of the bloody consequences of the invasion, the Saudis also sent a field hospital with 180 staff to the country.\textsuperscript{35}

However, at the Amman Conference in July 2005, the Saudis made a much more substantial commitment to Iraq. It announced a US$1 billion loan package for the reconstruction of the country. Riyadh also announced at this time that it was prepared to write off much of Iraq’s past debts. In a speech to assembled delegations, foreign minister Saud al-Faisal promised that Saudi Arabia would be a ‘principal partner’ in the Iraqi reconstruction process.\textsuperscript{36}

In response, senior Iraqi officials praised the humanitarian and financial support provided by Saudi Arabia.\textsuperscript{37} They were less public in their opinions of the second part of Saud al-Faisal’s speech. In Amman, the Saudi foreign minister also emphasized

\begin{footnotes}
\item[33] Arab News, July 3 2005.
\item[34] Ibid.
\item[37] Arab News, July 3 2005
\end{footnotes}
that no amount of loan forgiveness or humanitarian aid would be sufficient if Iraq could not achieve political stability.\textsuperscript{38}

Stability, at least in the short term, was not a priority of the Blair government. Indeed, its commitment to Iraq can be explained only partly in terms of the desire to be Washington’s closest ally. It was also due to Blair’s own belief in the transformational power of foreign policy and his conviction, no less so than senior US figures at this time, that long-term social reform and democratization in the Middle East were worth the price of short-term instability and even chaos.

In 2006, Blair addressed his foreign policy values at a speech before the World Affairs Council in Los Angeles. He warned that the only way to defeat what he called the ‘arc of extremism’ in the Middle East that had implications across the globe was to build ‘an alliance of moderation, which paints a different future in which Muslim, Jew and Christian; Arab and Western; wealthy and developing nations can make progress in peace and harmony with each other’. He summed up his ‘argument’ with the following warning, ‘we will not win the battle against this global extremism unless we win it at the level of values as much as force, unless we show we are even-handed, fair and just in our application of those values to the world’.

In the months following the invasion of Iraq, Saudi Arabia refrained from any explicit military or political intervention in the country.\textsuperscript{39} Long before the war had even begun the Saudis were extremely wary that the overthrow of Saddam Hussein could

\textsuperscript{38} Arab News, June 23 2005.
spark off a major crisis in both Sunni-Shia and Arab-Iranian relations on a regional level.

By the end of 2003 Saudi officials viewed the situation in Iraq as disastrous. They were deeply concerned over how destabilizing the internal challenges facing Iraq could be for Saudi society. In particular, they took issue with both Washington and London over what they viewed to be overly optimistic predictions for the short-term future, or what Blair, in December 2003, termed ‘the opportunity for reconciliation’. As one senior Saudi security official put it ‘We are concerned that the situation in Iraq, unless we deal with it in a positive way, could erode and unravel’.

By the middle of 2005, Prince Saud who by now feared the “disintegration” of Iraq, was publicly lamenting the failure of London and Washington to pay attention to his country’s dire warnings of the consequences of an invasion of Iraq in late 2002 and early 2003. ‘It is frustrating’, he acknowledged, ‘to see something that is clearly going to happen, and you are not listened to by a friend, and soon harm comes out of it. It hurts’.

Some dismissed the Saudi negativity as motivated by fears that the Iraqi oil industry could soon be competing with its own on equal terms and challenging the long-time Saudi dominance of the oil industry. Certainly estimates of Iraq’s oil producing

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40 Agence France Presse, December 15 2003.
potential were huge and, if correct, would have made the country post-Saddam a major player.  

But such considerations were for the longer term. The reality was that Iraq’s oil industry had been greatly neglected since sanctions began in 1990 and even after the occupation in 2003 it struggled to sustain high levels of oil production. Moreover, it was even possible to make a counter argument to those who believed that Saudi negativity was driven by fear of Iraq’s oil potential. In an era of high prices and great demand, as was the case in the mid-2000s, Saudi Arabia could well have welcomed, in the short-to-medium term at least, a robust Iraqi oil industry that could relieve some of the pressure it faced for calls for higher production levels.  

What was in no doubt was the very real concern that Saudi Arabia had over the possibility that post-Saddam Iraq would be dominated by a pro-Iranian Shia regime. In particular, Saudi officials feared greatly that any division of the country that separated Sunni, Shi’ite or Kurds on sectarian or ethnic lines could lead to sectarian crisis that would quickly spread across the Arab Gulf, especially into countries like Saudi Arabia and Bahrain with significant Shia populations. Indeed, speaking at a meeting of the Council on Foreign Relation in New York, Prince Saud was clear that the possibility of an expansion of Iranian influence stemming from the crisis in Iraq was a key concern for Riyadh.

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The determination of Saudi Arabia to prevent this happening was reflected in rumours that began flowing in Washington and London over Saudi threats to intervene both financially and militarily in Iraq to prevent the division of the country and in support of the Sunni minority population living there, especially if the country’s Shia groups were getting similar support from Iran.\footnote{45 The Guardian, December 14 2006.}

The Saudi government made no attempt to hide its commitment to, and concern for, co-religionists in Iraq. In a February 2006, interview with CNN, the Saudi ambassador in Washington, Prince Turki al-Faisal, said that his country supported the two demands of the Iraqi Sunni community: an equal share in the resources of Iraq (mainly oil) and safety from retribution (by Shi’ites or Kurds).\footnote{46 Ibid.}

Saudi Arabia was very concerned over the possibility of civil war in Iraq. However, Saudi leaders were not willing to let rumours that it planned to intervene militarily in defence of the Sunni community remain unchallenged. This explains why one of its security advisers who had talked publicly of a ‘massive Saudi intervention to stop Iranian-backed militias’ was removed from his post and why the Saudi official media denied his views.\footnote{47 New York Times, April 23 2004.}

British policymakers played down reports of possible future Saudi intervention in Iraq. However, by 2004 the reality was that at the very least Saudi private citizens were funnelling money to Sunni militias in Iraq through charities and other means.\footnote{48 Thomas Hegghammer, ‘Saudis in Iraq: Patterns of Radicalization and Recruitment’, Cultures & Conflits, June 12 2008, http://conflits.revues.org/10042}
Much more importantly, in terms of the bilateral Anglo-Saudi relationship, was the tendency of British officials to play down, in contradiction of the Saudi position, both the problems on the ground, notably the threat Iran posed, and the likelihood that the country would descend into civil war.

Britain had a particularly relevant role in all this as the majority of its troops were stationed in southern Iraq near Iran and thus were both the first point of contact with Iranian attempts to infiltrate the country as well as a buffer tasked with preventing this from happening.

Foreign Secretary Straw argued somewhat simplistically that there was no appetite in Iraq for alignment with Iran, even amongst Iraq’s Shia population because ‘Iraqis are Arab and the Iranians are not Arab, they are Persian’. 49

Speaking at a British-Saudi conference in April 2006, Saudi officials issued a stark warning that Iraq was for all intents and purposes was already in the grip of a civil war that could ‘suck in’ neighbouring countries. In response, Straw rejected this reading of the situation on the ground. ‘I do not believe’, he said, that ‘there is a civil war in Iraq. There is a high level of sectarian violence but also great restraint shown by Shia leaders’. 50

Despite differences on such substantive issues bilateral ties continued to be strong. When King Fahd died in August 2005, Prime Minister Tony Blair described him as a ‘man of great vision and leadership who inspired his countrymen for a quarter of a

50 The Telegraph, April 20 2006.
century as king, and for many more before that’. In her own statement the Queen said that ‘during his reign Britain and Saudi Arabia enjoyed a very close relationship’.  

Fahd’s successor, Abdullah, had long been an outspoken opponent of the Iraq war, but not even this had a negative influence on bilateral ties. In fact, British officials, including, Sir Andrew Green, the ambassador in Riyadh, predicted that the accession of ‘a wise and intelligent ruler’ like King Abdullah would be good for bilateral relations.  

Moreover, the Saudis were supportive of the Blair government’s on-going commitment to a British role in Iraq. By this time the Saudis were fully of the belief that until an independent and unified Iraq was achieved it was vital for US and British troops to remain in the country to maintain stability. As Prince Turki al-Faisal, the former Saudi ambassador to Britain, put it after taking up the ambassadorial post in Washington, these forces ‘came into Iraq uninvited, they should not leave Iraq uninvited’.  

There is no little irony in the fact that the one issue during this period of tension and turmoil that did spill out into public domain and had the potential to damage the bilateral relationship related to Iraq only indirectly. During these years British political leaders were unwilling to make a link between involvement in the war in Iraq and a rise in terrorism. Since 2003, senior Saudi officials had been warning that, in the words of Saudi Foreign Minister Prince Saud al-Faisal, Iraq would become a

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51 The Telegraph, August 1 2005.  
52 BBC News, August 2 2005.  
‘Pandora’s box’. In the same year, Brigadier General Mansour al-Turki, speaking on behalf of the Saudi Ministry of Interior, was quoted as saying that the extremists had used the war in Iraq to build support in the home countries of coalition troops.

Privately at least, senior intelligence officials in Britain shared similar views at the time but did not disclose them publicly. For example, it was only later that the head of MI5 at the time of the invasion of Iraq, Baroness Manningham-Buller, admitted that her view in 2003 was that the UK would be at greater risk of terror attacks if it engaged in a war in Iraq, which she termed a ‘distraction’ from efforts to tackle al Qaeda. She also warned that involvement in Iraq would make terrorist attacks on British soil more likely.

Likewise, in April 2005, the Joint Intelligence Committee (JIC) stated in a classified report, leaked the following year, that: ‘Iraq is likely to be an important motivating factor for some time to come in the radicalisation of British Muslims and for those extremists who view attacks against the UK as legitimate’.

However private these thoughts remained between 2003 and 2005, following the four London bombings of 6 July 2005, known as the 7/7 bombings, they came very much to the fore of the public debate. The 7/7 bombings constituted the worst single terrorist atrocity ever in Britain, killing 52 people and injuring 700. They were carried out by four “home-grown” British-born Muslims (three of Pakistani origin living in Yorkshire, one of Jamaican origin living in Buckinghamshire).

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55 Ibid., p 61.
56 The Telegraph, August 29 2011.
57 Ibid.
In the wake of the 7/7 attacks senior British officials were more inclined to go public with their views on the links between the terror attacks in London and the war in Iraq. Most notably, in late 2006, General Sir Richard Dannatt, the head of the British army, expressed the view that the British role in the invasion and occupation of Iraq had hurt rather than benefitted British security interests.\textsuperscript{58}

In his first official visit to the UK in late 2007, King Abdullah also addressed the issue. He said that in his view most countries ‘including, unfortunately, Great Britain’ were not taking terrorism seriously. He added that his government had ‘sent information to Great Britain before the [7/7] terrorist attacks but unfortunately no action was taken. And it may have been able to maybe avert the tragedy’.

The information provided by the Saudis to MI6 that the king was referring to related to the December 2004 arrest of one of its nationals, named Adel, who had revealed under interrogation that ‘in six months there would be a multi-faceted operation in London, using explosives from Bosnia, and would include the area around Edgware road’. Adel allegedly claimed that US$500,000 was needed to fund the London operation, four people would be carrying it out and although he did not know their names, he gave their rough ages, heights and descriptions.\textsuperscript{59}

This whole affair had the potential of being politically damaging for the British government because it addressed two very sensitive issues –the link between Iraq and terror on British soil and the failure of the security services to act on information that could have saved lives.

\textsuperscript{58} The Guardian, December 14, 2006.  
\textsuperscript{59} The Telegraph, October 29 2007.
This explains why the claim was immediately rejected by the British government and security services who described the information provided by the Saudis prior to the 7/7 attacks as ‘vague and lacking detail’.\textsuperscript{60} This was followed up by an investigation by Parliament’s Intelligence and Security Committee (ISC) that found no evidence of any intelligence passed on by the Saudis that could have prevented the 7/7 bombings.\textsuperscript{61}

The period between mid-2002 when an American invasion of Iraq became inevitable and 2006 when this thesis ends its examination was potentially devastating for the smooth running and advancement of Anglo-Saudi bilateral relations. While the British government under Tony Blair was fully committed to using force to topple Saddam Hussein, Saudi Arabia were deeply concerned that such an action would throw the entire region into turmoil and sectarian strife. Yet, by the time that the Saudi king arrived in London on an official visit in late 2007 it was clear that the relationship between Britain and Saudi Arabia had weathered the pressures that the Iraq war had placed on it just as it had survived and even thrived in the face of past crises over the turbulent and historically significant decade and a half since 1990.

As the introduction and the preceding six chapters have argued events in these years provided a constant reminder that in terms of history, geography, customs and traditions, Britain and Saudi Arabia remained quite far apart. But time and again they also provided evidence that both countries shared some key interests and priorities in the security, economic and political spheres. The fruits of all this, as has been argued

\textsuperscript{60} Ibid.
throughout, was an exceptional and unprecedented level of cooperation and partnership in light of some major challenges.
Conclusion

This PhD is an enquiry into the bilateral Saudi-UK relationship. Its main research questions examine the form that bilateral relations took between 1990 and 2006, the period at the heart of this thesis. It also looks to answer how key events and developments both at home and abroad in this key era impacted on bilateral ties in positive and negative ways.

As the introduction and the preceding six chapters have argued, events in the bilateral Anglo-Saudi relationship between 1990 and 2006 provided a constant reminder that in terms of history, geography, customs and traditions, Britain and Saudi Arabia remained quite far apart. Despite this, as this thesis has shown, time and again the evolving bilateral relationship has also provided evidence that both countries shared (and continue to share) some key interests and priorities in the security, economic and political spheres that have enabled them to weather the major challenges and obstacles that they have faced.

The fruits of all this has been an exceptional and unprecedented level of cooperation and partnership. This is the central hypothesis of this dissertation and the case studies it includes in chapters 2-6 show how and why this occurred. It does so by addressing Anglo-Saudi bilateral relations from a realist perspective. Realist in the sense that in the period under discussion, and long before the years 1990-2006, both the UK and Saudi Arabia were very aware that they needed each other and that it was important for the other to feel that they benefited from the relationship in order for them to benefit themselves.
This is one of the key original contributions that this thesis makes to the existing literature. All the more so as the case study format in the timeframe under study has not been focused on previously in the literature.

The historical survey in chapter one served to underline how bilateral relations in the period between 1900 and 1990 set a precedent for the following quarter of a century. Despite the ups and downs in relations both nations managed to transcend crises in the political, security and economic realms over the course of the twentieth century.

For example, in his early years in power Ibn Saud, the founder and first ruler of Saudi Arabia, was motivated in his relationship with the British by his need to consolidate power. For their part, British attitudes to the Saudi leader were driven by regional considerations that transcended Saudi ambitions. Nevertheless, both parties still ultimately shared the same interests in the early part of the century and worked for the mutual benefit of each other.

Notably, they did so in their shared desire to keep other European powers out of the region and limit the influence of the Ottoman Turks. Ultimately, Ibn Saud walked a fine line between benefitting from the British and being dominated by them, just as he had feared being dominated by the Turks earlier. He struggled, somewhat successfully, with a major contradiction in his strategy. He was forever trying to break free of British control while accepting that the British were central to his success in the first place. In turn Saud’s gradual, step-by-step approach to nation building and his diplomatic talents and regional standing all came to be key attractions to the British in their never-ending goal of consolidating their regional dominance and ensuring stability in the region.
Other examples of how major tensions in the bilateral relationship were transcended by no less major mutual interests addressed in the first chapter include the Buraimi and Suez crises of the 1950s. On both occasions the Saudis were determined to show their displeasure with British actions and policies but did not want to break with the British. Neither did the government in London want to damage beyond repair its links to an increasingly important strategic and oil partner. As such, both worked hard to minimize the impact of regional events on bilateral relations, including cooperation at the UN as a forum for improving ties.

The British withdrawal from the Gulf in 1971 impacted negatively on the bilateral relationship but even after this major point in Britain’s imperial history, both Saudi Arabia and Britain looked to find other primarily non-military ways of working together whether they were diplomatic, economic, political or cultural. For example, as chapter one showed, during the late 1960s and early 1970s trade relations became an increasingly important aspect of bilateral relations despite ongoing strategic differences.

This became very apparent during the Kuwait crisis of 1990-91, which is the focus of the case study in chapter two. This case study highlights the fundamental shared interests of both nations. The reactions of both governments to the Iraqi invasion of Kuwait in August 1990 were the same. Both were determined to take a tough stand against Saddam Hussein’s aggression. Indeed, from the outset of the crisis the British priority was to prevent it spreading to Saudi Arabia. In the first instance, for example, British troops were tasked by Prime Minister Margaret Thatcher to defend Saudi Arabia not to free Kuwait.

As this chapter also showed the Kuwait crisis opened a new chapter in Anglo-Saudi relations. It provided the stage for the rejuvenation of relations after decades of
decline. It showed clearly that although not a major world power, Britain was a valuable military ally in times of crisis. In its wake, Prime Minister John Major continued on the path that his predecessor Margaret Thatcher had begun in the 1980s of rebuilding and expanding ties with Riyadh after decades of decline.

The Major government’s attempt to build on the goodwill generated by the Kuwait crisis to improve relations with Saudi Arabia was an illuminating example of how major international crises that had the potential to impact negatively on the bilateral Anglo-Saudi relationship also offered real opportunities for improving ties.

The crisis in Kuwait occurred at an economically challenging time for both the UK and Saudi Arabia. As chapter three showed, during the 1990s the economic relationship grew rapidly as evidenced most notably in the Al-Yamamma arms deal and the establishment of the offset programme that followed.

This rapidly expanding trade relationship with the UK took place at a time when Saudi Arabia was diversifying its economic partners across the world. As such, the trade case study in chapter three provides another concrete example, this time in the economic sphere, of the bilateral relationship withstanding external pressures to the benefit of both parties. For its part, the UK from the mid-1990s onward provided Saudi Arabia with technology transfer and expertise on privatization and how best to attract Foreign Direct Investment (FDI). The British government also supported Saudi Arabia at international institutions like the World Trade Organization (WTO). As chapter three highlighted, the 1990s also saw improved relations in the diplomatic, cultural and educational spheres.

The case study in chapter four once more underlined very clearly how major global challenges – in this case the challenge of Islamist radicals and the war on
terrorism that followed the al-Qaeda attacks on the United States –caused both tensions and opportunities in terms of the bilateral Anglo-Saudi relationship.

Both nations were the targets of attack by radical Islamists. At the same time Britain’s lenient treatment (from a Saudi perspective) of anti-Saud Islamic radicals and dissidents, by providing them a home in the UK, infuriated Saudi leaders despite, or arguably because, both sides faced the same enemies. There were also external pressures in this sphere. During the 1990s, for example, British policy towards Bosnian Muslims in the war in former Yugoslavia cause great tensions in the bilateral relationship, which crystalized in the wake of the 9/11 attacks.

In particular there was one major bilateral challenge – the Saudi role in providing political support for the war on terror compared to the British role in providing military support. As chapter four showed, this tension came to the fore on the eve of Prime Minister Tony Blair’s planned visit to Saudi Arabia in October 2001. His hosts were reluctant be seen working publicly with a leading participant in the war on terror.

But again the reality was that Saudi Arabia was no less a victim of al-Qaeda than the West and ultimately, as this chapter showed, Saudi counter-terror efforts were no less robust than those of the UK. Indeed, an example of the inter-twined fate of Saudi Arabia and the UK was that some Saudi-based terrorists planned attacks on the UK from their home in the Arabian peninsula.

As chapter five showed, even prior to 9/11 Britain and Saudi Arabia cooperated in the security and military spheres. Post 9/11 they extended this cooperation on a bilateral level and also on a multilateral level at the UN. At the same time, one sees a desire on both sides of the bilateral relationship for an improvement on key domestic issues.
In the case of Britain, for example, although leading figures defended Saudi actions in the media, they did urge for an improvement in human rights. British officials also looked to impart some of their own experience in building political systems and, as in the previous decade, in developing the Saudi private sector and contributing to efforts at public sector reform.

From the Saudi perspective, in the post-9/11 era, the country’s leaders continued to urge the British government to refrain from giving refuge to radicals and to tighten up its asylum policies. At the same time it also looked to share its three-pronged and unprecedented counter-terror programme of prevention, rehabilitation and aftercare with its British partners.

The crisis in Iraq following the March 2003 US invasion of the country was another ideal case study for analyzing the bilateral Anglo-Saudi relationship. This chapter examined the impact of the Iraq crisis post-2003 on bilateral relations. It charted the directions that both kingdoms took on the road to war and examined how differences of principle and policy between the two countries over the campaign to oust Saddam Hussein strained, but ultimately did not undermine, Anglo-Saudi ties.

This outcome was despite the fact that between mid-2002 and 2006 events in relation to Iraq were potentially devastating for the bilateral relationship. Prior to the invasion of Saddam’s Iraq, the Saudis had been clear that they wanted stability not anarchy. For its part the Blair government backed the Bush administration in Washington in its desire for regime change and revolution.

In other words, this case study showed how both countries faced grave challenges from the time of the invasion to overthrow Saddam Hussein onwards but also how major strategic differences between them were balanced by major shared interests in a number of fields of endeavour. For example, they cooperated on
external funding for the redevelopment and reconstruction of Iraq even as they disagreed over how to achieve political stability in the country.

Most importantly, Saudi Arabia was gravely concerned that one key consequence of a post-Saddam Iraq might be Iranian encroachment onto sovereign Iraqi territory at the same time that the British controlled, and were responsible for, an area of southern Iraq that bordered Iran.

On this issue, it became clear that both governments, each of whom considered the US as their number one ally, shared quite different views on how to deal with Iran and the threat the country posed to Iraq. Saudi Arabia and the British troops based around Basra and in the south. Arguably for domestic political reasons of their own, the British downplayed Saudi concerns over the Iran issue in Iraq and the extent that the country might end up divided by civil war.

Another key issue addressed in this chapter that had not been dealt with fully in the literature previously was the key tension in the Anglo-Saudi bilateral relationship post-2003 over the link between the Iraq invasion and domestic terror. At the same time, the terror attacks that Saudi Arabia and the UK faced in 2003-04 and 2005 respectively were the worst both had ever experienced. As such, both countries simultaneously faced the same severe domestic challenge in these years and looked to cooperate on this basis despite differences over the role of Iraq in causing these grave challenges.

This thesis is unique because it uses this series of case studies over a key period of time to show how, in bilateral terms, a number of issues both domestic and external, pushed Saudi Arabia and the UK apart and then brought them together again constantly between 1990 and 2006.
Throughout, this thesis, which is primarily a piece of contemporary history, has used these case studies to show how the bilateral relationship, based on both self-interest and mutual interest, went from strength to strength over the period under discussion. It underscores the hypothesis that Saudi Arabia and the UK did not only work together in easy times.

The undeniable reality is that bilateral Anglo-Saudi ties took the form they did between 1990 and 2006 because the UK and Saudi Arabia were partners in many of the key and even defining events of the period. In that sense, the primary lesson of this dissertation is that crisis can be an opportunity as well as a problem as both nations, in the final account, were able to deal better with the big questions of the day by working together than by acting alone. This in turn is a lesson for all states in the international system determined to develop bilateral relations in periods of flux and high tension.
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