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C. (62) 150 2nd October, 1962

CABINET

SUPPLY OF DEFENSIVE MISSILES TO ISRAEL AND ARAB COUNTRIES

NOTE BY THE MINISTER OF STATE FOR FOREIGN AFFAIRS

On 20th September the Cabinet, before deciding whether we should express a readiness to supply any country in the Middle East with ground-to-air missiles, asked the Foreign Secretary to arrange, in consultation with the Minister of Defence and the Minister of Aviation, for a review of the present state of missile equipment of the countries of the Middle East, of the scope for increasing it and of the political and economic implications of so doing; and to consider in the light of this review the terms in which the United Kingdom Government might announce their readiness to supply missiles to Middle East countries, once the terms of the United States offer to supply missiles to Israel had become known. (C.C. (62) 57th Conclusions, Minute 3.)

2. The attached memorandum has accordingly been prepared in consultation with officials of the Ministry of Defence and the Ministry of Aviation. It has not yet been seen by the Foreign Secretary, the Minister of Defence or the Minister of Aviation, but is being circulated in view of the urgency of the matter.

DUNDEE.

Foreign Office, S.W. 1, 2nd October, 1962. COPYRIGHT - NOT TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERMISSION

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ANNEX

THE SUPPLY OF DEFENSIVE MISSILES TO ISRAEL AND ARAB COUNTRIES

MEMORANDUM BY OFFICIALS

Existing Offers

This paper deals with ground-to-air missiles. Details about all types of missiles being supplied to the Middle East are at Appendix A. Secret reports have reached us that Soviet ground-to-air missiles with be supplied to Iraq and the United Arab Republic in 1963 or 1964; we believe that Syria may also receive them in due course. The Israelis who have made enquiries of the United States and ourselves about the supply of such weapons from time to time were informed in August by the United States Government of their readiness to make them available and this has now become public knowledge. Delivery could not take place until the end of 1963 and training requires 65 weeks. For political reasons the Israelis are virtually certain to want to buy from the United States rather than us. The United States Government will also say that they are ready to consider applications from Arab countries.

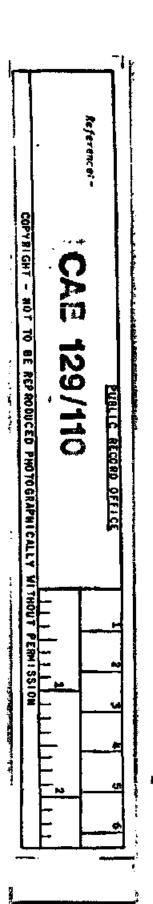
2. No British ground-to-air missiles have been supplied to any countries in the area and there seems to be no question of the supply by the French or any others for the foreseeable future.

Potential Demand and Availability of British Missiles

- 3. The scope for increasing Middle East countries' holding of these weapons is difficult to determine. It is probable that Arao countries will not wish to have the same weapon as Israel. If, as seems likely, Israel purchases Hawk, then the Arabs might want Bloodhound or Thunderbird. Sales of such missiles might be made to Kuwait and Jordan, and also more doubtfully to Lebanon. Saudi Arabia and Syria, and even conceivably to Egypt. Possibly more promising sales prospects also exist for smaller cheaper missiles such as the naval Seacat and its land-based version Tigercat. Brief notes on potential demand country by country are at Appendix B.
- 4. Having regard to the impact of United States (and Soviet) competition, and also to the ability of potential customers to pay, the volume of business accruing to the United Kingdom is not likely to be worth more than, say, £10 million.
- 5. The production of Bloodhound I and Thunderbird I has already lapsed. Supply of Mark I missiles would have to come from the Services as re-equipment with Mark II missiles renders them surplus to Service requirements. Bloodhound I could not be supplied before 1963 or 1964. Surplus Thunderbird Mark I from the army could not be made available before 1966-67, though some Thunderbirds from new production might become available before that date,
- 6. The security position is complex but it is possible that some equipments could not be released to the Arabs as early as to the Israelis. Seacat and Tigercat could probably be made available about two years from receipt of a firm order.

Implications of a British Offer to Supply

- 7. We have been very concerned at the repercussions in Arab countries of our supplying to the Israelis. Our position in the Middle East is much more exposed than that of the United States and, if the Arab countries should unite against us on this issue, they could do us a great deal of harm in a number of ways. In particular the Chiefs of Staff are especially concerned that the supply of United Kingdom missiles to the area should not have repercussions which prejudice the staging and overflying facilities we enjoy with the Sudan and Libya or our relations with Kuwait.
- 8. If we offer to supply the Arabs as well as the Israelis this may mitigate the Arab reaction but the Arabs are likely to regard our offer as a cover for our



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supplying Israel. In addition the supply of missiles to Arab countries raises the following problems:

- (a) It is important politically to avoid discrimination in the delivery dates offered to the Israelis and Arabs.
- (b) It may be politically difficult for us to supply to certain Arab countries, e.g., Iraq and Saudi Arabia. The military consequences of supplying Iraq are acceptable but this would be difficult to explain to public opinion in the United Kingdom, and to the Kuwait Government, so long as the threat to Kuwait remains. In practice the Iraqis are unlikely to approach us. The military consequences of supplying to Saudi Arabia are equally acceptable but if we did supply this might have a bad effect on the Persian Gulf rulers.
- (c) We cannot discriminate between Arab countries in the supply of missiles without running the risk of being accused of taking sides in Arab quarrels or of exposing those we supply to further accusations of being British stooges (e.g., Kuwait or Jordan). Although the United Arab Republic would be likely to refuse United Kingdom missiles, as she is already to receive them from the Russians, we should have to include her in any offer, as to discriminate against her, whatever excuse we used, would produce a very bad effect.
- (d) Most of the other potential customers, e.g., Lebanon, Syria, Jordan, Libya and the Sudan, probably could not afford the bigger system such as Bloodhound. Jordan in particular already depends on United States and United Kingdom aid to balance the budget.
- (e) From a military point or view there would be an operational advantage and some deterrent effect if Kuwait possessed surface-to-air missiles. But from a political point of view this would increase the risk of incidents with Iraq (e.g., through the Kuwaitis precipitately shooting down Iraqi aircraft near the frontier) and it would divert funds which could be better used on other defence measures and on buying the friendship of other Arab States. Kuwait, moreover, could probably only operate less sophisticated equipment such as Tigercat, which would itself be less likely to cause incidents.
- 9. Generally, we must avoid any action which stimulates the arms race in the Middle East. This is a point to which Commonwealth Governments in particular attach importance.
- 10. On the other hand, the following factors weigh in favour of supplying to the Arabs and the Israelis:
 - (a) In the present state of the balance of payments even a small export order is important.
 - (b) A decision not to supply would be a severe blow to the hopes of the United Kingdom manufacturers of missile systems who have already been severely affected by their exclusion from the North Atlantic Alliance market and the cancellation of several major projects notably Blue Water.
 - (c) If United Kingdom equipment is excluded to the advantage of the Americans and Russians the Arabs may not look to us so much for training or purchases in the field of electronics and aviation.
 - (d) If ground-to-air missiles are to be supplied to the Middle East there would be some military advantage if these were of United Kingdom manufacture since we would be better informed about their potentialities and could take them into account in our military planning.
 - (e) Only defensive weapons would be involved and it will be difficult for us to refuse to supply now that the Russians and Americans are ready to do so.
 - 11. We have consulted Her Majesty's Representatives in the area about:
 - (a) The repercussions of the United States offer.—The United States offer to the Israelis which was made public last week has drawn a good deal of fire from the Arabs which we have escaped thanks to our decision to stand back.

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- (b) The advisability of our expressing our readiness to supply missiles to the Arabs and Israelis.—The consensus of opinion among Her Majesty's Representatives is that it would be better for us not to supply any missiles to the area, since this will run counter to our policy of non-involvement, and that the next best thing is to express privately to the Arabs and Israelis a readiness to supply. This offer should if possible be made with a little delay in order to avoid any appearance that we were parties to the United States decision. However presented our action would prompt doubts about the sincerity of our statements about not contributing to an arms race in the area. Furthermore, it will divert resources from economic development.
- 12. The reports from posts suggest that provided that we do not discriminate against them as regards either the other to sell or the supply of missiles the Arabs' reactions should not be such as would endanger our strategic interests: viz. our staging and overflying rights or our relations with Kuwait (see paragraph 7 above). We suggest therefore that what we have to weigh are the economic advantages of missile sales in the Middle East, together with the domestic political implications of leaving the field to the Russians and Americans, against the political repercussions in the area.

Courses Open

- 13. There are two broad courses open to us:
- (a) To refuse to supply.
- (b) To indicate to all countries in the area that we are ready to examine individual requests on their merits.
- 14. If course (b) is adopted we suggest the following procedure:
- (a) The first step should be to inform the United States and French Governments, with whom we have always concerted our Middle East arms policy and who were partners with us in the Tripartite Declaration of 1950. It is particularly important to warn the United States since we try to follow a common policy towards the different Arab countries, and in the case of Jordan share responsibility for its financial viability. Should the Americans raise objections based on our security agreements with them, we should remind them that we had reserved our right to offer our missiles if they offered Hawk.
- (b) We should then instruct Her Majesty's Ambassadors in the Middle East capitals to make a communication on the following lines: "Our policy remains that of contributing to peace and stability in the Middle East, but the situation has been changed by the indications that some countries in the area have or are likely soon to acquire modern sophisticated weapons. In this new situation we can no longer regard ground-to-air defensive missiles as in principle different from weapons previously supplied. Should there be requests from countries in the area for the supply of United Kingdom missiles, to meet their genuine defensive needs we should now consider each case on its merits." This would be done in Israel, the United Arab Republic, the Lebanon. Syria, Jordan, Iraq, Kuwait, Libya and the Sudan and Her Majesty's Ambassadors in other surrounding countries such as Iran, Turkey and the North African countries should have discretion to communicate it also. Commonwealth countries would be informed as necessary.
- (c) We suggest that this communication should not be followed automatically by any public statement, which might be misinterpreted as indicating a disregard of the risks attached to the supply of modern weapons to an area which is showing itself as unstable as ever. If however we are pressed for a public statement in due course, we should clearly have to respond.
- (d) Finally we suggest that we should avoid any initiatives (e.g., stimulating demand from Jordan) which are liabte to involve us in a financial loss rather than a commercial benefit. Where they appear likely an approach from the country concerned should be handled initially on a Government-to-Government basis.

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APPENDIX A

Supplies of Guided Missiles to Arab States

It has not been possible to confirm that any Arab country of the Middle East yet possesses any operational defensive guided missiles. However, there is one report of the sighting of 19 missiles in Egypt, the description of which conforms closely to that of Guideline (Soviet type SA-2 surface-to-air missile). There have also been reports that delivery to Egypt has begun of Atoll air-to-air missiles for MiG-21 jet fighters, about 20 of which are already held by the United Arab Republic Air Force.

2. There is abundant evidence of the present Soviet intention to supply to the United Arab Republic and Iraq:

Surface-to-air missiles (Guideline).

Air-to-eir missiles (Atoll).

Air-to-surface missiles (Kennel).

Missile-carrying fast patrol boats (probably not to Iraq).

- 3. There are indications that the supply of similar missiles to Syria in duc course is also probable. The fact that deliveries of missiles have been made to Indonesia and Cuba suggests that the Soviet Union are at least not inhibited on grounds of security from the export of this type of equipment.
 - 4. Iran has received Sidewinder air-to-air missiles from America.

Supplies of Guided Missiles to Israel

5. Israel has received 20-24 Mirage III aircraft (a total of 60 ordered) from France, but there is no evidence to suggest that air-to-air missiles (Matra) for them have yet been delivered, but it is assumed that they are on order.

Supplies of Anti-tank Wespons

6. Israel has French SS-10 and -11 wire-guided anti-tank weapons and Kuwait will have the British Vigilant weapon by the end of 1962. Iraq may have received a Russian equivalent. This class of weapon is now considered as conventional.

APPENDIX B

Potential Demand for British Ground-to-Air Missiles in the Middle East Countries

Israel-is likely to buy the United States Hawk Missile.

Kuwait-may want to buy and could find the money.

Lebanon—is not likely to want to buy; could pay.

Jordan—will want to buy; has no money to spare.

Syria—is more likely to buy from the Russians; would need long credit.

U.A.R.—is unlikely to want to buy but could find the money.

Libya—not likely to want to buy; has no money.

Sudan—not likely to want to buy; has no money.

Iraq—not likely to want to buy.

Saudi Arabia-might want to buy; would want long credit.

Iran—may want missiles but is likely to expect them as free aid from the Americans.

The assessment above relates primarily to the class of bigger ground-to-air weapons, such as Bloodhound. There might be more scope for small ground-to-air weapons such as Seacat/Tigercat.

October 1962.