Gulf states load up on weapons of war

By Gethin Chamberlain, Sunday Telegraph Last Updated: 1:08am GMT 11/02/2007

Leaders of Sunni Arab states are embarking on a military spending spree in an attempt to contain the growing threat from Iran.

Alarmed by the progress of Iran's nuclear programme and the prospect of a military clash between its Shia regime and the United States, Gulf leaders intend to use billions of dollars of oil revenue to purchase a huge array of military hardware.

Many of the deals will be finalised at a massive arms fair due to open in the United Arab Emirates next Sunday.

Saudi Arabia alone has a shopping list that runs to almost \$50 billion, including fighter aircraft, cruise missiles, attack helicopters and more than 300 new tanks.

The United Arab Emirates (UAE) has earmarked \$2 billion for a rapid reaction brigade - possibly to take a lead role in a regional protection force. Another \$6 billion will go on missile defence batteries, airborne early warning systems and aircraft.



Defence ministers from Sunni Arab states are preparing to spend enormous sums at the Idex arms fair in Abu Dhabi next week

Both countries are members of the Gulf Co-operation Council, established in 1984 to provide security against the threat posed by Iran. Other members, including Kuwait, Bahrain and Qatar, are expected to spend heavily in the coming months.

advertisement Gulf leaders have watched with growing alarm as Iran's Shia theocracy has flexed its military muscles: filling the post-war power vacuum in Irag, exerting influence in the Palestinian territories and Lebanon and refusing to back down over its nuclear

programme. Many are now convinced that the only way to avoid being sucked into a war between the US and Iran, or being caught up in the turbulence that would follow, is to beef up their own defences.

Last week Iran carried out exercises in the Gulf, including test firing its new Russian defence missile system, and warned that any attempts to halt its nuclear programme would result in attacks on US interests around the world.

President Mahmoud Ahmadinejad is expected to use a speech today, marking the 28th anniversary of the country's Islamic revolution, to announce further progress in Iran's attempts to enrich uranium, a process regarded by the US and its allies as the precursor to a nuclear weapon.

American plans for a possible attack on Iran's nuclear sites are reported to be well advanced, despite public denials, and many in the Gulf states fear that they could be caught in the backlash. One highly placed Saudi diplomatic source said that there were concerns about America's intentions and doubts about the real threat from Iran.

"There are some people who are wary about Iran but the Americans are running a very successful public relations campaign against Teheran. A lot of Saudis fear that the US will come and make mischief then go away, but we have to live here afterwards."

Some analysts argue that many Gulf states would prefer to be able to adopt a position of well-armed neutrality.

Paul Beaver, a defence analyst, said: "They are genuinely concerned about Iran because not only are the Iranians not Arabs, they are Shias. For the Saudis in particular, they are sworn enemies. But they share a common enemy with Iran - the West and its way of life. They don't really want to depend on the Americans."

With oil prices pushing \$60-a-barrel, the spending power of the Sunni states has been boosted, with the UAE government alone looking at a windfall of \$100 billion if prices stay at present levels for the next two to three years. Up to 20 per cent of that extra revenue may be devoted to defence modernisation.

Tim Ripley, the Middle East analyst with Jane's Defence Weekly, said: "The Gulf states have a shopping list of arms worth more than \$60 billion if all the deals under discussion go through."

The largest deal on the cards is Saudi Arabia's purchase of 72 Eurofighter Typhoon jets from BAE Systems, which has yet to be finalised but appears to be back on after the Serious Fraud Office dropped an investigation into the company's accounting.

After the Gulf War in 1991, Saudi Arabia and a number of other states spent \$10 billion. Now countries are again flocking to the arms bazars and more than 900 exhibitors - including British firms such as Remploy, Land Rover, Quinetiq, Rolls-Royce and BAE - will be competing for their business at the Idex 2007 exhibition in Abu Dhabi. Although much of the equipment is designed to counter an external military threat, many are spending heavily on homeland security.

"People are concerned that if there is a complete breakdown in Iraq it may wash over to them," said Marc Lee, the organiser of a conference on defence in the region which will be held the day before the arms fair. "They are acutely conscious of the instability threats on the other side of the Gulf and the threat from Iran."

At the last Idex exhibition, in 2005, \$2 billion of deals were done in five days but this year is expected to break all records. Up to 45,000 delegates are expected and the UAE tourist ministry has hired two cruise liners to cope with demand for accommodation.

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