


[HOME](#)
[FREE ACCESS](#)
[Breaking News](#)
[Pruden on Politics](#)
[Commentary](#)
[Contact Information](#)
[About Us](#)
[Editorial Advisory Board](#)
[Getting It First](#)
[FOR OUR SUBSCRIBERS](#)
[White House](#)
[Capitol Hill](#)
[National Security](#)
[Federal Agencies](#)
[Archives](#)
[National Weekly Edition](#)
[Capital Contacts](#)
[SUBSCRIBE!](#)
[SITES WE'RE WATCHING](#)
[The Washington Times](#)
[DrudgeReport](#)
[Human Events Online](#)
[American Spectator](#)
[National Review Online](#)
[Breitbart.com](#)

Issue Date: May 23-29, 2006, Posted On: 5/23/2006

Saudis driving UAE efforts to buy U.S. ports, military factories



Saudi Arabian Foreign Minister Prince Saud al-Faisal. (AFP/Karen Bleier)

Congressional investigators have found evidence that Saudi Arabia was behind the takeover of major ports and defense facilities in the United States.

Congressional sources said investigators who have examined the United Arab Emirates purchase of companies that operate U.S. major ports and a key subcontractor to the American military suspect that Saudi investors helped arrange financing for the multi-billion-dollar deals. The sources said Saudi princes have sought to invest in critical infrastructure and defense in the United States.

"There is no smoking gun at this point," a congressional source familiar with the investigation said. "What we do know is that the UAE has no interest investing in anything but extremely safe investments and that Saudis have facilitated financing for the latest takeovers."

Over the last four months, state-owned UAE companies acquired two British companies that operate in the United States. Dubai Ports World bought the London-based P&O, which operates six major American ports while Dubai International Capital has bought the Doncasters Group, which owns nine defense factories in the United States.

The sources said members of the Saudi royal family appear to have used the UAE as a front for their entry into the U.S. defense and port industries. They said several leading UAE state-owned companies have been targeted by Saudi investors, flushed with huge petro-dollar revenues.

"The UAE invests in things that are relatively innocuous," another congressional source said. "The Saudis invest in strategic assets and have hired top U.S. consultants to advise them on where to invest. We believe the Saudi strategy is to ensure that they remain vital to U.S. interests."

The Bush administration has sought Saudi Arabia's reciprocation for its investments in the United States. But so far Riyadh, which is a member of the World Trade Organization, has restricted foreign business ownership in such sectors as exploration and production, pipelines, media and publishing.

"There is a great deal more business that we could be and should be doing together," Commerce Secretary Carlos Gutierrez told U.S. business groups in

FREEDOM CRUISE 2006



Join Oliver North and Wayne LaPierre on the Mediterranean

AUGUST 19-29

Stop an Abortion Today

Learn how YOU can save lives [CLICK HERE](#)

Riyadh. "If the private sector sees the environment is conducive to investment, we believe that investment will happen."

At this point, Congress is not expected to release any findings of what remains an informal inquiry. The sources said congressional leaders appear satisfied with the Bush administration's guarantees from Dubai International not to transfer technology to the UAE and DP World's pledge not to operate major American ports.

"We'll never know if continuing down this path of selling of our national defense industries will end up hurting us in the long run," said Rep. John Barrow, a Georgia Democrat who represents a district that contains a key defense facility now owned by Dubai International. "We all have to draw the line when it comes to selling our national defense establishment. We don't want to outsource our military industrial complex one piece at a time."

FREEDOM CRUISE 2006			Join Oliver North and Wayne LaPierre
AUGUST 19-29			Freedom Cruise of the Mediterranean to benefit FreedomAlliance.org & NRA

Copyright © 2006 News World Communications
[Console Login](#)