

*Prime Minister*

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## CABINET OFFICE

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No. 10

1 June, 1982.

*Dear John,*

## SUPPLY BY FRANCE OF EXOCET MISSILES TO PERU

1. After the discussion at Chequers that resulted in the despatch of FCO telegrams to Paris numbers 310 and 311 it was, as you know, agreed that I should discuss this matter with Monsieur Gutman at the outset of the talks that Antony Acland and I were due to have with him and the German State Secretary today. When Gutman came to see me in my office, accompanied by the French Ambassador, he said that he had not been able to get a definitive view from the Elysée on the President's reaction to the Prime Minister's message before he himself had to leave Paris to come to London. But he could assure me that the matter was being treated urgently and seriously in Paris; though it presented a number of difficulties to the French, particularly in regard to their credibility in respect of contracts concluded with countries other than the Argentine.
2. I need not record our discussion in detail. I made it absolutely clear to him that this was a matter of crucial importance to the Anglo-French relationship in general and to the Prime Minister's own relationship with the President in particular. I did not believe that I would be overstating the matter if I used the word "catastrophic" in relation to any supply by France of these missiles to Peru.
3. Subsequently, before lunch at the French Embassy, Gutman told me that he had already telephoned to Paris in the light of our conversation and he understood that the reply to our request would be satisfactory. He was again called to the telephone later and at the end of lunch told me that it had been decided that the Peruvian Ambassador in Paris should be summoned tomorrow to the Quai d'Orsay. He would be informed (without any subterfuge in regard to technical difficulties, etc. relating to the missiles) that the French Government had decided for political reasons that these missiles could not be supplied to Peru for the time being. Gutman did not specify the period, but said that it would be for "quite a while" ("un bon petit moment").

4. I asked if the Prime Minister could expect a reply from the President. He said that he expected so; but in any case what he was saying to me was a formal communication and I could take it as the official response of the French Government. I thanked him and said that I knew the Prime Minister and her colleagues would greatly appreciate this decision.

5. I am sure it remains very important to keep this whole business as closely to ourselves as possible, irrespective of anything the Peruvians may say about it. So I am only sending copies of this letter on a Secret and Personal basis to Frank Cooper and Antony Acland.

*Tom*

*Richard*

(Michael Palliser)