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MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

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14th August 1980

Dear Harold,

Thank you for your letter of 10th July on technology transfers to the Soviet Union. As you asked I have shown your letter to the Prime Minister and to the Foreign and Commonwealth Secretary.

First, I should say that I share your concern about the implications of the increasing technological quality of Soviet military equipment. It is vitally important that the Soviet Union should not overtake the West's technological lead in those areas where that lead represents significant military advantage. I agree with you that our aim should be to avoid the transfer of advanced technology which would serve broad objective. The problem lies in translating that broad objective into specific measures which would be acceptable to COCOM as a whole.

In your letter you referred to the three main areas covered by the United State's proposals; I summarise below the United Kingdom's views on these points. First, together with our other COCOM partners we are participating in a "no exceptions" policy, although like you we think that there should continue to be a limited number of agreed exemptions. Second, I understand that national positions on the release of computers and computer technology have been developed over a period of time and that unanimity will be difficult to achieve.

The Honorable Dr Harold Brown

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But we are ready to play our full part in further discussions on this issue when they are reviewed in COCOM after the recess. Third, we accept that there is a prima facie case for examining more closely the additional capability which exports of "processing know-how" confer on Soviet industry, and the further constraints upon exports which would be needed to bring this under control. At the same time, I am bound to recognise the problems involved, including the commercial investment in programmes of this kind both here and in other European countries. We stand ready to take part in informal consultations within COCOM about your proposal over the export of "processing know-how" for military industrial projects. You will no doubt let me know when you are ready to embark on such consultations. It would also be helpful if your people could let mine know how our other principal partners in COCOM have reacted to your suggestion.

Sincerely

Francis Pym

Francis Pym

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