(強) 32

PS PS/MR HURD PS/MR ONSLOW PS/PUS MR GIFFARD MR WRIGHT MR ADAMS MR URE MR GILLMORE HD/S AM D (FCO DIST + A/D F/I) HD/DEF D HD/NEWS D HD/UND HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 RESIDENT CLERK HO OF MENAD

(Copy passed to Emergency Staff)

PS NO 10 DOWNING ST PS/S OF S FOR DEFENCE

PS/CHANCELLOR ) SIR K COUZENS MR LITTLER

MR HAWTIN TREASURY MR PERETZ

MR ILETT MR MCINTYRE

MISS DICKSON (EIP DIV) D/EN

DIO CABINET OFFICE MR WADE-GERY CABINET OFFICE MR FULLER SAPU/DIO " "

SIR M PALLISER CABINET OFFICE SIR R ARMSTRONG

GR 160 CONFIDENTIAL FM WASHINGTON Ø52218Z MAY 82 TO PRIORITY F C O TELEGRAM NO 1618 OF 5 MAY INFO PRIORITY MODUK (DS8(AIR)), ROUTINE: TEL AVIV, MONTEVIDEO

I SRAELI ARMS SUPPLIES TO SOUTH AMERICA

1. WE WERE CONTACTED YESTERDAY BY A US CITIZEN, MR STEADMAN HINKLEY. HE EXPLAINED THAT THE NEW YORK AIRLINE COMPANY, OVERSEAS NATIONAL AIRWAYS, OF WHICH HE IS CHAIRMAN, HAS BEEN APPROACHED BY A FREIGHT COMPANY OPERATING OUT OF HOUSTON, PAN AIRCRAFT, A SUBSIDIARY OF THE BARING CORPORATION, TO CHARTER TEN FLIGHTS CARRYING AMMUNITION FROM TEL AVIV TO MONTEVIDEO IN ABOUT ONE WEEK'S TIME. HINKLEY, WHO SUSPECTS THAT THESE CONSIGNMENTS ARE INTENDED FOR ARGENTINA, HAS ASSURED US THAT HE WILL NOT ACCEPT THIS BUSINESS. HE HAS INFORMED ENDERS IN THE STATE DEPARTMENT. WE HAVE ALSO TAKEN THE MATTER UP WITH THE POLITICO-MILITARY BUREAU, WHO HAVE UNDERTAKEN TO LOOK INTO IT URGENTLY, HINKLEY HAS PROMISED TO LET US KNOW ANYTHING FURTHER HE DISCOVERS ABOUT THE CHARTER.