CONFIDENTIAL



10 DOWNING STREET

From the Principal Private Secretary

0 September 1980

Dear Bonani.

DEFENCE SALES

As I told you when we spoke this morning, the Prime Minister is anxious that steps should be taken to follow up positively what she said in her speech at the Flying Display Dinner on 3 September about the need to increase defence sales (for your convenience I attach the relevant extract from her speech). In particular she would like to know what can be done to reconcile more effectively than hitherto the requirements of our own Services for equipment with the simpler needs of many of our potential customers, in order to make our weapons more attractive in overseas markets. She understands that this is something to which the French have always paid particular attention and that it is an important factor in the success of their defence sales efforts.

The Prime Minister thinks that it would be helpful if the Defence Secretary were to bring forward to OD a paper setting out what measures now need to be taken to increase our exports of defence equipment. The paper should identify any major constraints on the expansion of sales and make proposals for their removal.

I am sending copies of this letter to John Wiggins (HM Treasury), Ian Ellison (Department of Industry), Stephen Gomersall (FCO) and David Wright (Cabinet Office).

Your w. Whiriam.

B. M. Norbury, Esq., Ministry of Defence.

