

*I have no evidence*

(2)

*of French activities*



*Prime Minister*

*The Assessment Staff*

Foreign and Commonwealth Office

London SW1A 2AH

*breaches?  
no*

*report is attached. The central  
issues are those summarised in the final  
para on this page. I doubt whether it  
would be sensible to try to copy the*

13 March 1981

*I have added  
a letter about  
Marconi  
MS*

*Dear Michael, French & the Israelis.*

*Ant- 13/3*

UN Arms Embargo Against South Africa

You will be receiving shortly the report by the Assessments Staff on allegations of French and Italian breaches of the arms embargo against South Africa requested in your letter of 20 February about the Prime Minister's discussion with Mr Spicer MP, and Mr Peyton MP. The Prime Minister may wish to have the Foreign and Commonwealth Secretary's comments on this report.

There seems little doubt that a certain amount of cheating is going on, with the French, amongst our allies, to the fore. Lord Carrington would not, however, accept the proposition that we apply the arms embargo more restrictively than any other government. Indeed we have taken a more permissive view than some others of the application of the embargo to dual purpose equipment (and incurred considerable international and domestic criticism for doing so). We do not seek to interfere with the supply of equipment, not primarily acquired for its military capability, to the South African armed forces or police, as for example current US legislation does. There is no evidence of any intention by the new US administration to change their legislation or to disregard the obligation to observe the embargo.

The embargo, imposed by a mandatory resolution of the Security Council, is legally binding on all UN member states and there are provisions in British law to ensure that effect can be given to it domestically as well. The Government could not encourage British companies or individuals to act incompatibly with Britain's international legal obligations and with our own law. Indeed if any such contravention came to the Government's notice we should be obliged to take action against whoever was responsible for it.

Apart from the legal considerations, there are practical arguments which would make it difficult to depart from our present policy. There is more zealous interest in Parliament and the press in these matters in our open society than in many other countries where evasions may take place. French public and parliamentary opinion is remarkably indifferent. Contraventions of the embargo by British companies would be quickly detected and publicised here, exposing the

/Government

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Government to serious political embarrassment both internationally and at home. This could put at risk our substantial (and growing) commercial and economic interests in Africa and elsewhere. Thus the cost to Britain might greatly exceed the value of potential orders lost by our observance of the embargo. For example, we are at present bidding for three major arms contracts in Nigeria which could be worth some £450 million.

Thus, although Lord Carrington shares the Prime Minister's dissatisfaction at a situation in which some others seem able to evade their obligations while we observe our own, he believes that a change in our position could incur risks out of all proportion to the additional benefits we might be able to expect.

I am writing separately about Marconi, and sending copies of this letter to David Omand (MOD), Stuart Hampson (DOT) and David Wright (Cabinet Office).

*yours ever*

*Roderic Lyne*

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Private Secretary

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