

OPS

cc Moller

Subject: Argentina Defence of Falklands
PR13

MESSAGE
T 11/6A/83

SERIAL NO.



10 DOWNING STREET

THE PRIME MINISTER

9 August, 1983.

My dear Chancellor,

Thank you for your letter of 7 July. We remain very appreciative of the step you have taken in ensuring that German Surface and Underwater Target (SUT) torpedoes will not be supplied to Argentina.

We do regularly discuss the problem of arms sales to Argentina with the Governments of France and Italy. They are well aware of our concerns and have been helpful over some specific matters. We only approach them about the proposed sale of particular arms when we have firm reason for believing that there is a danger that such sales will take place. At present we have no such firm information to suggest that French or Italian torpedoes will be sold in place of the German torpedoes over which you have helped us. We shall of course value any information which you may have on this, and, indeed, on related matters, as we should certainly wish to approach our European colleagues to try to ensure that these and other weapons do not reach Argentina. In this context you may think it useful for us to consider encouraging the appropriate agencies on each side regularly to exchange detailed information on this subject.

You refer to sales of torpedoes in Latin America by Marconi. It is the case that Marconi have made such a sale during the past year to a Latin American country on the basis of fair competition and the reputation of their product. The torpedoes in question could not be used in existing Argentine submarines

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without major alterations and, in permitting this sale, the Government were confident that the torpedoes would not be transferred to Argentina. As you will know, we operate a total embargo on the direct sale of UK arms to Argentina; we have no intention at present of raising this embargo and strict measures are taken to ensure that arms sold to other countries will not be diverted to Argentina.

We are always ready to exchange views on this sort of question. Perhaps, as you suggest, this could be discussed between our Defence Ministers when they meet.

Best wishes,

Yours sincerely

Margaret Thatcher

His Excellency Herr Dr. Helmut Kohl