


done*NBPA**Ph...*FCS/81/100SECRETARY OF STATE FOR DEFENCECOCOM: Defence Sales to China

1. I wrote to Francis Pym on 19 November 1980 giving the text of a formula for a 'China differential' to be tabled in COCOM. Our aim in tabling this was to make it possible to resume submission to COCOM of proposals for a wide range of defence sales to China in the knowledge that our COCOM partners would treat them sympathetically.
2. Our proposal was formally tabled in COCOM on 26 November, 1980. In the ensuing weeks it was approved by all our COCOM partners with the exception of France. The French made it clear that they could not agree to any formal procedure which discriminated in favour of China as against the Soviet Union and other "proscribed destinations". At the same time, they indicated that they did not expect to raise objections to anything which we might wish to export to China.
3. In these circumstances, we concluded that it would be fruitless to press for formal agreement in COCOM. It seemed preferable to make use of the approval given by the majority of our partners, and of the assurance with the French had given about their general attitude to exports to China, by informing all our partners (in capitals), that we intended to resume the submission to COCOM of all relevant cases on the assumption that our partners would treat them as though agreement had been reached on our proposal. Having obtained French and American agreement to proceeding in this way, we instructed our Embassies in COCOM countries to act accordingly.



4. None of our partners has since expressed significant reservations about the course we propose to follow. The way is now open to us, therefore, to resume the submission to COCOM of all relevant cases concerning exports to China. We shall have to see how such submissions fare before we can say that the system is working (though the recently announced changes in US policy on exports to China should work in favour of our own exports). If the system does work smoothly, the outcome will be satisfactory, not least in terms of our wish to preserve the credibility and efficiency of COCOM in relation to exports to the Soviet Union.

5. I am copying this minute to the Prime Minister, other members of OD, the Secretary of State for Industry and Sir Robert Armstrong.


(CARRINGTON)

Foreign and Commonwealth Office
27 July 1981

*China**NBPM**MP**13/11/81*

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FOREIGN AND COMMONWEALTH SECRETARYCOCOM: DEFENCE SALES TO CHINA

Thank you for your minute of 27th July.

2. The purpose of our proposals to COCOM was that we should arrive at a position which enabled our defence sales to proceed while preserving the credibility and efficiency of COCOM. Your proposal secures the best way of achieving this and I am therefore content to continue as you suggest.

3. I am copying this minute to the Prime Minister, to other members of OD, to the Secretary of State for Industry, and to Sir Robert Armstrong.

SW

Ministry of Defence
12th August 1981

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