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10 DOWNING STREET

From the Private Secretary

22 March 1983

European Council : French Arm Sales to Argentina

Thank you for your letter of 18 March.

In the light of Paris telegram no. 234, the Prime Minister decided not to raise this question with President Mitterrand at the European Council. As things turned out, this would have been unlikely to be productive since President Mitterrand's mind was, throughout the Council, much on his preparations for a Government reshuffle and the contents of the televised press conference which, I understand, he is to give in Paris tomorrow evening.

ASK

J.E. Holmes Esq.,
Foreign and Commonwealth Office.

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OO UKREP BRUSSELS (FOR PS/PRIME MINISTER) DESKBY 211000Z

RR MOD DS II

RR MOD DD I (ROW)

RR MOD D I 73/AAT

GRS 110

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DESKBY 211000Z MAR 83

FM PARIS 210856Z MAR 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 234 OF 21 MAR 83

INFO IMMEDIATE UKREP BRUSSELS (FOR PS/PRIME MINISTER)

ROUTINE TO MOD DS II, MOD DD I (ROW) MOD D I 73/AAT

MY TELS NOS. 215 AND 227 (NOT TO UKREP BRUSSELS):

FRENCH ARMS FOR ARGENTINA

1. GAILLARD (ELYSEE) HAS NOW CONFIRMED TO US IN CONFIDENCE THAT MITTERRAND HAS DECIDED TO PUT OFF UNTIL AFTER THE ARGENTINE ELECTIONS IN OCTOBER A DECISION ON WHETHER TO AUTHORISE NEW ARMS CONTRACTS.
2. THIS MAKES IT LESS NECESSARY FOR THE PRIME MINISTER TO RAISE THE MATTER WITH MITTERRAND AT THE EUROPEAN COUNCIL, THOUGH THERE WOULD BE NO HARM IN REMINDING HIM AGAIN OF THE IMPORTANCE WE ATTACH TO IT.
3. I AM SORRY TO HAVE SENT A SERIES OF INCONCLUSIVE REPORTS ABOUT THE FRENCH POSITION, BUT THOUGHT IT BETTER TO LET YOU HAVE EACH PIECE OF EVIDENCE AS WE GOT IT.

FRETWELL

N CCN PARA 1 LINE 3 'AUTHORISE NEW ARMS CONTRACTS'

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10 DOWNING STREET

From the Private Secretary

21 March 1983

Dear John,

ARMS SALES TO ARGENTINA

The Prime Minister has noted without comment the contents of your letter of 18 March.

Yours ever

John Gales

John Holmes, Esq.,
Foreign and Commonwealth Office

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Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister

A.J.C. 24/3.

18 March 1983

Dear John,

European Council: French Arms Sales to
Argentina

You will have seen Paris telnos 212 and 215 of 15 and 16 March. In the second of these, the Embassy reported a strong hint that President Mitterrand had decided against further arms sales to Argentina.

In a meeting with Dorin at the Quai d'Orsay today, John Ure attempted to obtain confirmation. But the French official was evasive and said that the matter should be taken up at the political level. This seems a signal that the French may expect the Prime Minister to ask the President what French intentions are.

The margins of the European Council meeting on 21/22 March offer a good opportunity to do this. I enclose some speaking notes and background information which the Prime Minister may wish to use if her conversation with the President indicates that he has not taken a firm decision not to permit further sensitive arms sales to Argentina.

Yours ever
John Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

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FRENCH ARMS SALES TO ARGENTINA

POINTS TO MAKE (UNLESS PRESIDENT MITTERRAND INDICATES THAT HE HAS MADE A DECISION THAT THERE SHOULD BE NO NEW SALES)

1. We were disappointed at the French decision in November to deliver Exocet AM39s and Super Etendard aircraft, although we recognise that they had been ordered before the hostilities.
2. We hope France will not permit any further arms sales to Argentina. Particularly important that French should not accept new orders for Exocets, Super Etendards or any other sensitive weapons.
3. Such future sales would not be understood in Britain. They would seriously increase Argentine military capability and give the wrong signals to the Junta, who have not accepted a definitive cessation of hostilities and still threaten to attack the Islands.
4. The Argentine regime have not yet produced their promised report on the 'disappeared' and their human rights record remains lamentable.

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FRENCH ARMS SALES TO ARGENTINA

ESSENTIAL FACTS

- A 1. Our Embassy in Paris have been keeping closely in touch with the Quai d'Orsay on the question of new French arms sales to Argentina. We know that the Defence Ministry, backed by the arms lobby, have been pressing strongly, but that elements in the Quai believe that further sales to Argentina would have a destabilising effect in Latin America. We have been told that the final decision will be made by President Mitterrand himself: we hope he will be influenced by distaste for the Argentine regime among members of the Socialist party and throughout the country.
- B 2. On 16 March, there was a more encouraging report from Paris, suggesting the President could well decide not to conclude any new contracts with Argentina at least until after the Argentine elections. These are to take place on 30 October 1983. However, when Mr Ure saw M. Dorin of the Quai d'Orsay on 18 March the French official was evasive and said that the matter should be taken up at the political level. This seems a clear signal that the French expect the Prime Minister to sound out the President.
3. Since raising their total arms embargo in September 1983, the French have fulfilled certain pre-existing contracts, notably the delivery last December of 10 Exocet AM39s and 14 Super Etendard aircraft, and the equipping in February of the German-built destroyer Almirante Brown with 4 Exocet MM40s.
- C 4. We believe the Argentines have told the French they would like to obtain 20 more Exocet AM39s and 10 Super Etendards, as well as other less sensitive equipment such as Puma helicopters (although these could be fitted to carry and fire Exocets). In December we handed to the Quai a list of 8 categories of equipment considered particularly sensitive. This remains unaltered.

Falkland Islands Department
18 March 1983

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GRS 200
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DESKBY 170800Z
FM PARIS 161715Z MAR83
TO IMMEDIATE FCO
TELEGRAM NUMBER 215 OF 16 APRIL 1983
INFO ROUTINE MOD DS11, MOD DD1 (ROW), MOD DI 73/AAT.

MY TELNO 212 : FRENCH ARMS SALES TO ARGENTINA

1. A RELIABLE SOURCE IN THE QUAI HAS TOLD A MEMBER OF THE EMBASSY THAT A DECISION HAD BEEN TAKEN BY THE FRENCH GOVERNMENT NOT, REPEAT NOT, TO CONCLUDE ANY NEW CONTRACTS WITH ARGENTINA 'FOR THE MOMENT'. IN REPLY TO A QUESTION, OUR CONTACT SAID THAT 'FOR THE MOMENT' MEANT AT LEAST UNTIL AFTER THE ARGENTINE ELECTIONS. ALTHOUGH HE WOULD NOT SAY SO, HE CLEARLY IMPLIED THAT IT WAS INDEED THE PRESIDENT HIMSELF WHO HAD TAKEN THE DECISION BUT HE WOULD NOT SAY WHEN. HE ADDED THAT THE ARMS LOBBY WAS FURIOUS.

2. THIS CONFLICTS WITH GAILLARD'S FORECAST (MY TUR). ON THE OTHER HAND, OUR CONTACT WAS QUITE CATEGORIC IN WHAT HE SAID. I SUGGEST THAT WITHOUT REVEALING THAT WE KNOW ANYTHING, URE MIGHT PROBE DORIN GENTLY WHEN THEY MEET ON 18 MARCH. IF URE RECEIVES CONFIRMATION THAT A DECISION NOT TO GO AHEAD HAS INDEED BEEN TAKEN, THEN IT WOULD BECOME UNNECESSARY FOR THE PRIME MINISTER TO RAISE THE SUBJECT. BUT IF THERE APPEARS TO BE DOUBT, IT MIGHT STILL BE USEFUL IF SHE WERE TO CAST A FLY OVER MITTERRAND. I SHALL TELEGRAPH AGAIN AFTER URE'S CONVERSATION.

FRETWELL

LIMITED
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PUSD
PS/LORD BELSTEAD
SIR J BULLARD
MR GIFFARD
MR WRIGHT
MR URE
MR GILLMORE
MR GOODISON

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GRS 330
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FM PARIS 151745Z MAR 83
TO PRIORITY FCO

TELEGRAM NUMBER 212 OF 15 MARCH 1983
INFO ROUTINE MOD (DS11), MOD DD1 (ROW), MOD D173/AAT

MY TELNO 141: FRENCH ARMS SALES TO ARGENTINA

1. THERE ARE SIGNS THAT THE FRENCH ARE MOVING CLOSER TO A DECISION TO SIGN NEW ARMS CONTRACTS WITH ARGENTINA.
2. GUTMANN REPEATED TO ME AT DINNER LAST WEEK THE LINE HE TOOK WITH LORD BELSTEAD (TUR): SOME SALES WERE LIKELY BUT THE FRENCH WOULD KEEP OUR INTERESTS IN MIND. HOWEVER GAILLARD, THE DEPUTY DIPLOMATIC ADVISER AT THE ELYSEE, TOLD US YESTERDAY THAT THE ARMS LOBBY WERE BEING PARTICULARLY ACTIVE AND THAT THE DEBATE WITHIN THE ADMINISTRATION LOOKED INCREASINGLY LIKELY TO BE RESOLVED IN FAVOUR OF SELLING THE ARGENTINES EXOCETS AND POSSIBLY OTHER SENSITIVE WEAPONS. GAILLARD HAD SAID EARLIER IN THE CONVERSATION THAT FOLLOWING THE GOVERNMENT'S SCARE IN THE MUNICIPAL ELECTIONS ITS TOP PRIORITY WOULD BE TO REDUCE THE BALANCE OF PAYMENTS DEFICIT, WHICH LAY AT THE ROOT OF FRANCE'S ECONOMIC TROUBLES. THIS MEANT THAT THE FRENCH WOULD PROBABLY BE GUIDED EVEN MORE BY PURELY COMMERCIAL CONSIDERATIONS.
3. GAILLARD SAID THAT THE PRESIDENT HIMSELF WOULD TAKE THE FINAL DECISION ON ARMS FOR ARGENTIAN. HE DID NOT GIVE THE IMPRESSION THAT THE DECISION WAS IMMINENT (IE WITHIN DAYS) BUT IT CANNOT BE LONG DELAYED.
4. YOU WILL NO DOUBT WISH TO CONSIDER WHETHER TO RECOMMEND TO THE PRIME MINISTER THAT SHE SHOULD TRY TO INFLUENCE THE PRESIDENT'S DECISION. I DO NOT THINK AN APPROACH AT ANY LOWER LEVEL WOULD BE EFFECTIVE IN DOING SO. IT IS ALSO FAR FROM CERTAIN THAT EVEN A DIRECT APPROACH TO THE PRESIDENT WOULD SUCCEED. BUT IF IT IS DECIDED TO TRY, I SUGGEST THAT THE BEST COURSE MIGHT BE FOR THE PRIME MINISTER TO HAVE A WORD WITH THE PRESIDENT IN THE MARGINS OF NEXT WEEK'S EUROPEAN COUNCIL. SHE MIGHT THEN FOLLOW THIS UP WITH A LETTER. IN MAKING AN APPROACH, IT MIGHT BE HELPFUL IF THE PRIME MINISTER SHOWED THAT SHE RECOGNISED THE ECONOMIC PRESSURES ON THE FRENCH GOVERNMENT TO INCREASE ITS ARMS SALES. SHE WOULD ALSO NO DOUBT WISH TO CONCENTRATE ATTENTION ON THE PARTICULAR WEAPONS WHICH WE WANT TO KEEP OUT OF ARGENTINE HANDS IE. THOSE ON THE LIST ENCLOSED WITH DEW'S LETTER OF 13 DECEMBER 1982 TO FORD.

FRETWELL.

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PUS D

PS/LORD BELSTEAD
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MR GILLMORE
MR GOODISON

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Super Etendard aircraft

Exocet missiles (AM39, SN39, MM38 and MM40)

Phimatt (sophisticated Chaff dispenser)

AR Martel (anti-radar air-to-surface Martel missile)

Durandal (penetration bomb)

Hot/Milan anti-tank weapons

Air-to-air refuelling equipment (including
technical assistance)

Beluga Cluster Bombs