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10 DOWNING STREET

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From the Private Secretary

17 October 1983

COCOM: Computers

The Prime Minister has seen Mr. Parkinson's minute of 10 October, Sir Geoffrey Howe's minute of 13 October and Mr. Ian Stewart's minute of 14 October on the above subject.

As I told you on the telephone this morning, the Prime Minister is content with paragraphs 10-13 of the steering brief, subject to one point. In paragraph 12c of the steering brief it is suggested that we should resist the inclusion of "killer clauses" proposed by the US. Mrs. Thatcher has asked whether we do not need "killer clauses" of some kind. She would regard it as odd to agree on the one hand to restrict the transfer of technology to industry directly related to the defence sector but then be willing to sell it to civil industry. She recalls the case which came to her attention some weeks ago involving the supply to civil industry in the Soviet Union of ball bearings which were then put to effective military use.

We agreed on the telephone that the UK delegation at today's meeting would therefore not be able to follow the line suggested in the brief on "killer clauses" and that you would let me have a more detailed note on this point as soon as possible.

I am copying this letter to the Private Secretaries to other members of OD and Sir Robert Armstrong.

A. J. COLES

Miss Ruth Thompson,  
Department of Trade and Industry.

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PARLIAMENTARY UNDER-SECRETARY OF STATE  
FOR DEFENCE PROCUREMENT

USofS(DP) 7/24/1

14 October 1983

Prime Minister

Prime Minister  
The MOD agree with  
the Trade Secretary  
proposals.  
A.F.C. 14/10  
*[Signature]*

COCOM - COMPUTERS

On behalf of Michael Heseltine I am writing to confirm that I am fully in agreement with the proposals put forward by Cecil Parkinson in his minute of 10 October. The line which the United States has adopted over the control of computers in COCOM seems unnecessarily rigid. It has been examined in detail by members of the Defence Scientific Staff and the Defence Intelligence Staff who have concluded that the full extent of the controls proposed are neither practicable nor necessary in that they cover computers which are freely available from retail outlets and also more powerful machines which the Soviet Union can already manufacture for itself.

2. In resisting the American proposals and protecting our own commercial interests, we are naturally most anxious to avoid a further dispute within the Alliance which, like the pipeline dispute last year, is likely to do more damage to the West than the East. Officials from MOD will therefore be taking every opportunity to moderate the American line in bilateral contacts already planned over the next few weeks. But it is very doubtful whether we will have much success and in the end this is an issue on which we would have to stand firm.

3. I am copying this minute to members of OD Committee and to Sir Robert Armstrong.

*IS*  
IAN STEWART

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