

Prime Minister



You asked some time ago whether it would be practicable to persuade our Nato allies not to conclude new arms contracts with a country which had committed aggression. This is the F.C.O. reply.

Foreign and Commonwealth Office

London SW1A 2AH

13 January 1983

A.J.C. 14.1

Dear John,

Arms Sales

In your letter of 26 November you asked for further advice in due course about points arising from a discussion between the Prime Minister and Mr Pym in the context of the controversy over French and German arms sales to Argentina.

This is an issue of importance to our relations with our allies. The particular case of arms sales to Argentina highlighted the unsatisfactory way in which such questions have to be handled in present circumstances. We have therefore considered carefully whether it would be in our interests to raise them as a matter of principle within the Alliance.

There are no existing agreements between the member countries of NATO relevant to the question of arms sales as such. But in the event of an attack by an outside aggressor on the territory of a NATO country as defined in the North Atlantic Treaty we would expect no difficulty in getting agreement that members of NATO should refrain from selling arms to the aggressor (depending on circumstances, of course, such an act of aggression could call for joint action going far beyond the field of arms deliveries.) The problem, however, is that the mutual security commitment in the NATO Treaty is explicitly confined to territories north of the Tropic of Cancer. It was of course for this reason that we were not able to claim that the invasion of the Falklands was an armed attack against a member state as defined in the Treaty.

In areas South of the Tropic of Cancer, it would in our judgement be extremely difficult to reach agreement in the Alliance in advance on effective principles or rules to govern arms sales. Quite apart from the difficulty of defining aggression for this purpose, many of our Allies are very sensitive indeed to anything which can be regarded as an attempt to extend the formal responsibilities of NATO beyond the area defined in the Treaty. There are no existing agreements on joint action of any kind in relation to incidents outside the NATO area, and the continuing debate on the Rapid Deployment Force has shown how difficult such issues are to deal with in the NATO context. The extent to which France distances herself from military cooperation within NATO is a further complication. Moreover competition between Allies over arms sales, particularly in the Third World, is very keen. Wider efforts to limit conventional arms transfers have never got very far, particularly

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since neither the Russians nor the Americans seem very interested. Our belief is therefore that, except in an extremely grave crisis, NATO is unlikely to agree to anything going beyond a loose coordination of policy leading to parallel action by countries acting individually; and that there is little or nothing to be gained by our raising the issue as a matter of principle.

The Ten is likely to be a more profitable forum in which to raise matters of this kind than the Alliance (although some members of the Ten, particularly the Irish, are very attached to the principle that political cooperation does not cover military matters). It was of course in the Ten that the national embargoes against Argentina, as well as that on Israel, were agreed. These decisions were important and establish useful precedents. But the temporary nature of the Argentine embargo, despite clear-cut Argentine aggression, is a good indication of the difficulties of this sort of action. We share the concern implicit in your letter that while the Ten are not selling arms to Israel, which invaded Lebanon, they are prepared to sell to Argentina, which invaded a dependent territory of one of the Ten and refuses to accept a definitive cessation of hostilities. Argentina is of course no longer in occupation of the Falklands, while Israeli forces have not yet moved. But it may also be the case that if the national interests of some members of the Ten had been so little affected over Argentina as over Israel, the Argentine embargo might still be in force.

Where a specific crisis does flare up, whether involving our dependent territories or independent countries where we have major interests, eg Belize, it should always be possible swiftly to engage the process of political cooperation in order to try to get the action we want. But in Mr Pym's view, we are unlikely to get far with an attempt to agree principles in advance. Member states are bound to be wary of commitments which might conflict with both their commercial interests and their political objectives and to prefer to leave themselves the flexibility to judge each instance on its merits. Nor should we perhaps forget that there may be instances in which we would wish to avoid advance commitments ourselves (eg concerning French policy in their overseas territories). Action is therefore likely to need to continue to be ad hoc.

Mr Pym is aware that these conclusions amount to an endorsement of the status quo, which is far from satisfactory. But in present circumstances he believes this the best course. Any initiative by us, either in the Ten or in NATO, would be only

/too likely





too likely to get bogged down very quickly in procedural difficulties and discussion of side issues. A failure to achieve agreement in principle is likely to make it even more difficult to secure action from our partners and allies if a practical case arises. However he will be happy to discuss this further with the Prime Minister if she wishes.

I am copying this to Richard Mottram (MOD), who I understand will be writing separately in response to your question about the details of arms supplies from European countries to Israel.

*Yours ever*

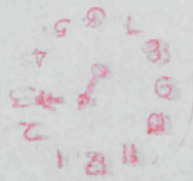
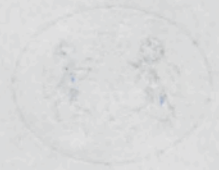
*Jan Holmes*

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street



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Defence  
Key

10 DOWNING STREET

*From the Private Secretary*

17 January, 1983

ARMS SALES

Thank you for your letter of 13 January, the contents of which the Prime Minister has noted.

I am copying this letter to Richard Mottram (Ministry of Defence).

A. J. COLES

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



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10 DOWNING STREET

*From the Private Secretary*

26 November 1982

ARMS SALES

There was some discussion of this question when the Foreign and Commonwealth Secretary called on the Prime Minister this morning.

The Prime Minister said that the recent controversy over French and German arms sales to Argentina raised an important question of principle. When could one legitimately expect our NATO allies to refrain from selling arms to a country which had been guilty of aggression against one of the NATO countries? It was agreed that we should conduct an internal exercise to establish whether we could persuade our NATO allies not to conclude new contracts with a country which had committed aggression. It might be that there were Middle East precedents. We should consider whether the attitude which European arms suppliers had taken with regard to Israel provided a helpful precedent for dealing with Argentina (in this connection, the Prime Minister would be grateful for details of arms supplies from European countries to Israel - which countries now sent arms and when did the others cease to do so).

B.F. I should be grateful for further advice on these points in due course.

I am copying this letter to Richard Mottram (Ministry of Defence).

A. J. COLES

Brian Fall, Esq.,  
Foreign and Commonwealth Office.

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4



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MO 26/9

25th January 1983

Dear John,

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Prime Minister

A.J.C.  $\frac{26}{1}$

ARMS SALES

In his letter to you of 13th January, John Holmes said that we would separately submit details of arms supplies from European countries to Israel. I attach a list of those sales which are known to MOD. Clearly there may be others of which we have no knowledge.

Yours ever,  
Jane Ridley  
(J E RIDLEY)(MISS)

A J Coles Esq

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SALES OF DEFENCE EQUIPMENT TO ISRAEL BY EC COUNTRIES (KNOWN TO MOD)

<u>DATE</u>		<u>EQUIPMENT</u>	<u>VALUE</u>
<u>UNITED KINGDOM</u>			
1974	NK	84mm Carl Gustav Anti-Tank Weapons)	
1974-75	10	Islander Aircraft )	
1974-80	-	RDX and Nitro Granidine Explosives)	
1975-76	10	Cymbeline Mortar Locating Radars )	NOT KNOWN
1977	150	40mm Bofors AA Guns )	
1977	3	Blowpipe Missile Launcher )	
1978	-	Centurion Tank Spares )	
1980-81	-	Submarine spares	£500K
1981	-	Explosives	£100K
1981	-	"Wheelbarrow" Mk 7	£ 28K
1981	-	Night Vision Test Sets	£ 20K
1981	-	Pratt & Whitney Aero Engine	£600K
1981-82	-	Close Range Weapon Spares	£120K
1981-82	-	Cymbeline Spares	£500K(see note1)
1982	-	AFV Spares	£1M (see note2)
<u>FRANCE</u>			
1966-68	10	Super Frelon Helicopters	
1967-68	100+	Magister Jet Trainers	
1968	6	Saar II Class Patrol Boats	
1969	6	Saar III Class Patrol Boats	
<u>FRANCE/GERMANY</u>			
1974	600	Milan Anti-Tank Launchers	
onwards	9000	Milan Anti-Tank Missiles	
<u>AUSTRIA</u>			
1981	2	S.65A Helicopters (US produced but purchased second hand)	
<u>BELGIUM</u>			
1981-82	10	Magister Jet Trainers (Produced in France, purchased second hand)	

Note 1 - Partially delivered £400K outstanding

Note 2 - Partially delivered £0.8M outstanding



Defence  
Sales, P43

28 JAN 1983

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