

PM/83/84
PRIME MINISTER

Sale of RAF Hunters to Zimbabwe

- 1. I have seen Michael Heseltine's minute of 26 October. Like him, I have been giving careful thought to the political difficulties of going ahead with the sale of Hunters to Zimbabwe while the Air Force officers remain in detention. There will certainly be domestic criticism if we do so and this needs to be weighed very carefully in the balance.
- After further reflection in the light of Michael Heseltine's minute, my own conclusion is that we should nevertheless go ahead with the sale. I say this not least because, paradoxically, it is probably the course that is most likely to help the Air Force officers. But I recognise that if we do take this line, it will be a hard one to sell. (On a point of detail, our information is that none of the men are ex-RAF officers, though some trained here).
- 3. We start from the fact that we have a firm commitment to supply. To back out now would certainly be seen by the Zimbabwe Government, however wrongly, as an act of 'retaliation'. It would confirm Mugabe's belief that we have been threatening to cut off help to Zimbabwe. And, in view of your earlier assurance to him (your letter to Mugabe of 31 December 1982), he would take it as a personal slight. His reaction would



be predictably intemperate, and virtually certain to worsen the prospects for the Air Force officers. He would certainly look elsewhere for aircraft and other military supplies, including to China and perhaps the Soviet bloc. And the public row in Zimbabwe which cancellation would provoke would affect the situation to the detriment of the white community. In terms of what we want to achieve, that would probably be a more damaging result than the political row at this end that would follow a decision to go ahead. If we made agreement to the sale conditional in the way Michael has suggested in his minute, I would expect Mugabe to react just as badly as if we simply withdrew. The consequences for our interests - and for the Air Force officers - would be just as serious. us to impose conditionality would be seen by Mugabe as going back on our agreement.

There is one other point that we ought to take into account. We are dealing with a commercial sale, with implications for further sales prospects. This is true also of two current features of our existing aid programme: signature of a £3 m. programme loan under our Independence Aid Pledge, and implementation of the mixed credit agreement. Both are urgently needed by British commercial interests and are in an advanced state of preparation. The programme loan is designed to provide foreign exchange for essential imports of raw materials and spare parts to keep Zimbabwe industry afloat (most of it is British owned). credit agreement is for the supply of plant and machinery to the private sector. The agreement has already been signed by Ministers of both Governments in January and now only involves implementation. British firms are facing an increasingly difficult situation, both because of Zimbabwe's shortage of foreign exchange and because other countries are providing aid in support of their own

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exporters: so the programme loan and the mixed credit agreement will be of considerable value to British firms in maintaining their position.

- 5. If we do go ahead, it would, I think, make more sense for the Zimbabwe Government to be informed of this by Malcolm Rifkind during his visit to Harare on 2-5 November. If the programme loan is ready by the time of his visit, he would propose to sign the contract in Harare. I would not recommend that he should do the same for the Hunters. But agreement to go ahead with this sale would certainly strengthen Malcolm's hand in arguing for the release of the four officers. He is likely in any case to be pressed about these issues, so we will need to take a decision very soon.
- 6. I am copying this minute to Michael Heseltine and to Sir Robert Armstrong.

(GEOFFREY HOWE)

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PRIME MINISTER

SALE OF RAF HUNTERS TO ZIMBABWE

You will recall that in January of this year we took the decision, after some months of uncertainty occasioned by the impending Air Force officers' trial, to confirm to the Zimbabwean authorities that we would be prepared to proceed with the sale of 5 RAF Hunter aircraft, which they had asked to buy from us to replace the losses sustained in the sabotage attack on Thornhill Airbase. Since then, negotiations have been proceeding in slow time. Zimbabwean budgetary difficulties have been a particular cause of delay. Now, however, their Defence Secretary, with Mr Mugabe's authority, has approached the High Commission and confirmed that they wish to proceed to conclude the sale as soon as possible.

2. This is, of course, an awkward political juncture for concluding this deal and for handing over the aircraft (a step which could not be long delayed once agreement on the sale had been reached, since the Zimbabweans know that the planes are available for rapid handover). We have a little time to play with, in that the terms of payment have still to be negotiated on either a cash or credit basis. It seems unlikely, however, that negotiations can be spun out with any credibility for any length of time. We must therefore decide either to proceed with the sale, or to back out of it for reasons that would be apparent to all.



- 3. There are, of course, strong grounds for proceeding with the sale, not least from a Defence Sales point of view. We have sold over £30M worth of defence equipment to Zimbabwe since the beginning of 1980 and have good prospects for up to £25M more over the next 2-4 years. There is also the possibility of sales of additional Hawk aircraft for at least £20M. These prospects would undoubtedly be jeopardised by refusal to supply Hunters at this stage.
- 4. However, the main point which concerns me is the implications of our decision for the four remaining Air Force detainees. There are clear moral and presentational difficulties in supplying Zimbabwe with aircraft at a time when ex-RAF officers are being monstrously treated in that country. My own view is that we should only proceed with the sale on the basis of a clear assurance that it will lead to an improvement in the officers' position. I am sure that Geoffrey Howe would wish to advise us on how contact could be made with the Zimbabweans with a view to obtaining such assurances.
- 5. I am copying this minute to the Foreign and Commonwealth Secretary and to Sir Robert Armstrong.

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