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Foreign and Commonwealth Office

London SW1A 2AH

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16 October 1989

Jean Dominic,

Chile/Argentine: Letter from Admiral Merino

Charles Powell wrote on 29 ^{Dial} September enclosing a letter to the Prime Minister from Admiral Merino. Recent developments over the Condor programme (see below) have delayed this reply.

Admiral Merino previously wrote to the Prime Minister in August 1988 (on a separate subject). His style is eccentric, but he is a great admirer of the Prime Minister. He has also been very helpful to us in the Falklands context.

Like Admiral Merino, we have been concerned about the Condor project because of its possible use against the Falklands and because of our efforts through the Missile Technology Control Regime to prevent the spread of ballistic missiles in the Third World.

We have seen no evidence to back up Admiral Merino's claim that Algeria has been funding the Condor project. Nor do we believe that Argentina would be likely to use a guidance system based on that of the Chinese Silkworm Missile. Nevertheless we welcome Admiral Merino's expression of concern over Argentina's activities in ballistic missile proliferation. We have recently given the Chilean authorities a comprehensive briefing on the Condor programme and they should now be fully aware of the facts as we know them.

The Condor project is now in disarray following adverse publicity and the efforts of MTCR partners to frustrate attempts by Condor project participants to obtain Western Missile Technology. President Mubarak has stated publicly that Egypt has withdrawn from the project. We have learnt from the Americans that both the Argentine Foreign Minister and the Argentine Chief of the Air Staff have said that the Condor Programme has been cancelled.

We do not yet know whether this means that Argentina will abandon ballistic missile development (we think not; the development of the shorter range ALACRAN is well advanced). In addition Iraq may also be able to continue Condor on its own, (though Iraq's efforts to develop ballistic missiles have concentrated on liquid fuelled rockets).

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/ I enclose a draft reply. It does not mention the reports that the Argentines have cancelled their Condor programme, since in public the Argentines have implied that the programme is continuing.

Yours ever,
Richard Gozney

(R H T Gozney)
Private Secretary

Dominic Morris Esq
10 Downing Street

Revised Sept 85)

C *GR* *fr type for his signature on return. fr. include C*

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM: Prime Minister

fr letter 5/16

Reference

order in the papers.

DEPARTMENT:

TEL. NO:

Your Reference
JD2ADZ

fr 6

BUILDING:

ROOM NO:

SECURITY CLASSIFICATION

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

TO: Admiral Jose T Merino

Copies to:

16/10

Comandante en Jefe Armada

SANTIAGO

CHILE.

SUBJECT:

PRIVACY MARKING

..... In Confidence

CAVEAT

Thank you for your letter of 24 August. I was grateful to you for raising the subject of ballistic missile proliferation and I share your concern. It is a matter which we take very seriously.

The United Kingdom is a member of the Missile Technology Control Regime (MTCR) which aims to control the transfer of Ballistic Missile Technology. Our MTCR partners are also concerned about the Condor project. The deployment of this missile in South America or the Middle East could, as you point out, have a seriously destabilising effect in these regions.

I can assure you we will take every appropriate opportunity to persuade those involved in the project to end their participation.

Enclosures flag(s)

ARGENTINA: Location PT43