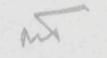
MR BUTLER



I reported orally to the Prime Minister on 14 January the confrontation with the South African spy, Dieter Felix Gerhardt, which led to him being sent back to South Africa (my minute of 19 January - A083/0195 refers).

The trial of Gerhardt and his wife began in Cape Town on 5 September and is expected to last up to three weeks. There is · also to be in Switzerland a trial on espionage charges of a' Russian arrested by the Swiss police acting on information deriving from Gerhardt's admissions.

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3. If there are wo questions about the implications of Gerhardt's activities they can be answered by reference to a reply which the Secretary of State for Defence gave to Arthur Lewis of 9 February (copy attached). There is no indication that current British interests were at risk from Gerhardt's activities, and there is no truth in the speculation that he was able to pass to the Russians intelligence about British operations in the South Atlantic last year.

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8 September 1983

Llans and, 9 February 1983.

## Commodore Dieter Gerhardt

Mr. Arthur Lewis asked the Secretary of State for Defence in view of the fact that Dieter Gerhardt, the South African commodore now awaiting trial on a charge alleging spying for Russia, spent four years at the royal naval engineering college at Manadon, Plymouth, and several other periods at British naval and military establishments, if he will list the total number of times this man has been to the United Kingdom to attend courses and so on; and if he is satisfied that no military secrets damaging to United Kingdom interests were divulged to him.

Mr. Heseltine: We are still assessing the implications of this matter. The facts are that Commodore Gerhardt attended training courses at the royal naval engineering college and other naval establishments between January 1956 and July 1958, May 1959 and April 1960, and August 1962 and August 1964. During the final stages of his training he would have had access to classified information. It is unlikely that any classified information he gained so long ago would have much value today.

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## 10 DOWNING STREET

From the Principal Private Secretary

## SIR ROBERT ARMSTRONG

Thank you for your minute of 8 September (AO83/2542) about the trial of Dieter Felix Gerhardt and his wife, which the Prime Minister has seen and noted.

F. E. R. BUTLER

12 September, 1983

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