



Foreign and Commonwealth Office

London SW1A 2AH

16 May, 1984

\*~\* Passage deleted and temporarily retained under Section 3(4). (Mayland) 5 August 2014

Dear John,

Prime Minister.

To note.

A.S.C. 4/5

c. Dr. Flecker.

Chile

You will be aware that, as part of our political and defence relationship with Chile, we have from time to time been prepared to sell her items of defence equipment. These sales have in turn attracted some criticism on human rights grounds from the anti-Chile lobby, both inside and outside Parliament. Our broad policy, which Ministers continue to reiterate in the House, is that we are not prepared to sell equipment to Chile which, in our judgement, is likely to be used for repressive purposes. This, in practice, means that we will not sell internal security equipment; but we see no reason to refuse to sell capital items such as Hawker Hunter aircraft or ex-RN ships. The Government's critics would, however, wish there to be a total embargo on arms sales to Chile, such as that conducted by the previous administration until 1979.

Against this background the Foreign Secretary considers that the Prime Minister should be aware (not least because the subject may come up in the House) that the final sales agreement for the purchase by the Chilean Navy of HMS Antrim is to be signed on Thursday 17 May. The sale is worth £10 million in all, and follows the sale of early ex-County class destroyer HMS Norfolk to Chile in February 1982. Over the last few months there has been some interest shown in the House about this sale. The completion of our negotiations comes at a time when there is increasing interest over the political future of the Pinochet regime in Chile and, consequently, at a time of renewed domestic and international concern over the Chilean regime's resistance to an early return to democracy. So, there may be some criticism of the Government once news of this sale becomes known and, later, when the ship is formally handed over to the Chileans in Portsmouth in late June.

The Foreign Secretary has been closely monitoring our policy towards Chile since the middle of 1983, when public attention began to focus more attentively on the human rights situation there. He continues to believe, however, that our policy towards Chile is, on balance, right.\*

\* a refusal to complete the Antrim sale could put this co-operation at risk. And the reimposition of an arms embargo could lead to doubts among other potential customers over our reliability as

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a supplier. Sir Geoffrey Howe believes that criticism over our relationship with Chile is containable. We have, however, ensured with the MOD that there will be no publicity for the sales agreement. We have selected a date which does not coincide with any of the recent demonstrations in Chile, and the time of signature has been moved to the afternoon, so as to take place after the Prime Minister's question time.

Sir Geoffrey therefore sees no reason why the sale of HMS Antrim should not go ahead, on this basis, as planned.

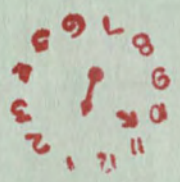
I am copying this to Richard Mottram (MOD).

*Yours ever,*  
*Peter Ricketts*

(P F Ricketts)  
Private Secretary

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10 DOWNING STREET

*From the Private Secretary*

17 May, 1984

Chile

Thank you for your letter of 16 May. The Prime Minister has noted its contents and, like the Foreign and Commonwealth Secretary, sees no reason why the sale of HMS Antrim should not go ahead as planned.

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

A. J. COLES

P. F. Ricketts, Esq.,  
Foreign and Commonwealth Office

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