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FM PARIS 301400Z JUL 82

TO PRIORITY FCO

TELEGRAM NUMBER 782 OF 30 JULY 1982

INFO ROUTINE MODUK

*Read in file.  
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MY TEL NO 777: ALLEGATIONS OF FRENCH HELP FOR ARGENTINA OVER EXOCETS

1. WHEN A MEMBER OF CHANCERY CALLED ON HEISBOURG, THE DIPLOMATIC ADVISER TO THE FRENCH MINISTER OF DEFENCE, ON ANOTHER SUBJECT ON 29 JULY, HEISBOURG RAISED THE SUBJECT OF THE SUNDAY TIMES ARTICLES. HE SAID HIS MINISTER HAD NOTED WITH SURPRISE THE RECENT STATEMENT BY MR PATTIE ABOUT FRENCH ASSISTANCE TO THE ROYAL AIR FORCE DURING THE FALKLANDS CRISIS. HERNU DID NOT INTEND TO MAKE OFFICIAL REPRESENTATIONS ABOUT THIS. BUT IT WAS NONETHELESS REGRETTABLE THAT SUCH A CONFIDENTIAL ISSUE HAD BEEN MENTIONED PUBLICLY. ADMITTEDLY THERE HAD PREVIOUSLY BEEN LEAKS IN THE FRENCH PRESS (ALTHOUGH HE WISHED TO NOTE IN PASSING THAT DJMOULIN OF L'EXPRESS, THE FIRST AUTHOR OF A STORY ON THIS SUBJECT, PRIVATELY CLAIMED TO HAVE RECEIVED THIS INFORMATION FROM THE BRITISH MINISTRY OF DEFENCE). BUT SUCH REPORTS WERE GIVEN GREATER AUTHORITY WHEN EXPRESSED BY A MINISTER.

2. HEISBOURG SAID THAT HE HOPED THE SUNDAY TIMES AFFAIR WAS NOW CLOSED. THE FRENCH ENQUIRY WAS EFFECTIVELY COMPLETED, ALTHOUGH THE FRENCH GOVERNMENT WOULD OF COURSE BE ON THE LOOK-OUT FOR ANY FURTHER RELEVANT INFORMATION. THE PRESIDENT OF DASSAULT, THE DIRECTOR FOR INTERNATIONAL RELATIONS, AND M COLIN HIMSELF HAD ALL BEEN GRILLED. (COLIN MIGHT BE ON HOLIDAY AS FAR AS THE PRESS WERE CONCERNED, BUT THE FRENCH GOVERNMENT HAD FOUND HIM AND QUESTIONED HIM AT LENGTH.) HEISBOURG HIMSELF HAD NOT BEEN CONVINCED WHEN THE ENQUIRY BEGUN THAT DASSAULT HAD NOT BEEN UP TO SOME DIRTY BUSINESS. NOW HE WAS. HEISBOURG SAID HE FEARED THAT THINGS WOULD GET VERY MURKY IF THE SUNDAY TIMES PERSISTED IN FOLLOWING UP THE ISABEL HILTON STORY. EVEN THOUGH THE FRENCH GOVERNMENT WISHED TO TURN A PAGE ON THE EPISODE, FRENCH INDUSTRIALISTS HAD HAD AS MUCH AS THEY COULD TAKE. THEY FELT THEY HAD BEEN UNJUSTLY ACCUSED. MOREOVER THEY BELIEVED THAT THEY WERE IN POSSESSION OF ITEMS OF INFORMATION WHICH, IF KNOWN, WOULD DEFLECT THE BLAME ELSEWHERE. THE FRENCH GOVERNMENT HAD NO IDEA WHETHER THIS INFORMATION WAS CORRECT OR NOT. BUT FRENCH INDUSTRIALISTS WERE ALLEGING PRIVATELY THAT:

(1) DURING THE FALKLANDS CONFLICT AN ITALIAN FIRM MANUFACTURING UNDER LICENCE FROM A BRITISH COMPANY (? BAKER) HAD BEEN SUPPLYING SPARE PARTS FOR THE EJECTOR SEATS OF ARGENTINE MIRAGES:

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(II) A TEAM FROM ROLLS ROYCE HAD ALREADY RETURNED TO ARGENTINA TO DISCUSS SALES OF MILITARY AERO-ENGINES;

(III) THE ARGENTINE MILITARY PURCHASING MISSION DISPLACED FROM LONDON HAD SET UP BUSINESS IN HAMBURG AND WAS IN THE THICK OF NEGOTIATIONS WITH GERMAN ARMS COMPANIES.

*Not  
Correct / think!*

IF DASSAULT CONTINUED TO BE PUT ON THE SPOT, THEIR EXECUTIVES WOULD BE STRONGLY TEMPTED TO LEAK THESE ALLEGATIONS TO THE PRESS.

3. AT MY REQUEST THE HEAD OF CHANCERY SUBSEQUENTLY REGISTERED TWO POINTS WITH HEISBOURG. FIRST, MR PATTIE'S OBJECTIVE HAD BEEN TO PAY TRIBUTE TO THE FRENCH FOR THE HELP THEY HAD AFFORDED AND THEREBY TO SET THE RECORD STRAIGHT IN THE FACE OF PRESS ALLEGATIONS LIKE THOSE IN THE SUNDAY TIMES. HEISBOURG ACCEPTED THIS BUT COMMENTED THAT THE FRENCH PREFERRED THE FORMULATION USED BY MR NOTT ON 27 JULY. HIS STATEMENT HAD BEEN MUCH APPRECIATED. SECOND, ARBUTHNOTT SAID THAT NEITHER OF THE TWO GOVERNMENTS COULD CONTROL THE PRESS. IF THERE WERE FURTHER STORIES IN THE SUNDAY TIMES, WE HOPED THAT, IN THE SPIRIT OF THEIR COMMUNIQUE (MY TELNO 778), THE FRENCH WOULD CONTINUE TO TRY TO DAMP DOWN REACTION. THERE SEEMED NO NEED FOR DASSAULT ITSELF TO CREATE NEW STORIES WHEN COMMENTING ON THOSE WHICH APPEARED IN THE PRESS. HEISBOURG SAID THAT THE FRENCH WOULD CONTINUE TO ASK DASSAULT TO COOL IT. NEVERTHELESS, THERE WAS CONSIDERABLE BITTERNESS IN THE FRENCH ARMS INDUSTRY ABOUT WHAT WAS SEEN AS SHABBY TREATMENT BY THE BRITISH PRESS AFTER ALL THE EFFORTS THE FRENCH HAD MADE.

FRETWELL

[NOT ADVANCED]

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