



10 DOWNING STREET

From the Private Secretary

12 April 1983

OD cc RT
Ho LPSO
LCO DT Trade
FCO C320
HMT + Co
LPO D/Ind.
MOJ

OSG

EAST WEST TRADE

The Prime Minister has seen your Minister's letter of 11 April to the Foreign and Commonwealth Secretary. Subject to the views of the other recipients of Mr. Rees' letter, the Prime Minister is content that, if prior consultation with COCOM partners indicates sufficient support, we should propose in COCOM that we should seek to achieve agreement by mid-1983 on a number of non-priority items, implementation by national administrations following thereafter.

I am sending copies of this letter to the Private Secretaries to the members of OD, to Jonathan Spencer (Department of Industry) and to Richard Hatfield (Cabinet Office).

A. J. COLES

Jonathan Rees, Esq.,
Office of the Minister for Trade,
Department of Trade.

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From the
Minister for Trade

DEPARTMENT OF TRADE
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Rt Hon Francis Pym MC MP
Secretary of State
Foreign & Commonwealth Office
Whitehall
London SW1

11 April 1983

Francis Pym

Prime Minister
Agree, subject to OD, that we should seek
COCOM agreement before Williamsburg to a
number of "non-priority" items.

A.J.C. 1/4.

EAST WEST TRADE

I have been considering what further steps we might initiate in the COCOM field to prevent the topic of East/West Trade distracting attention from more important matters at the Williamsburg Summit.

The outcome of the studies on Other High Technology (OHT), now underway in COCOM, will almost certainly fall well short of what the US is proposing; whether it will be sufficient to enable Mr Shultz to persuade the President that enough has been achieved remains to be seen. The US have also expressed some concern about the progress of the COCOM List Review which started last October, and which, because of the complexity and extent of US proposals on computers and robotics, seems likely to continue into 1984.

In accordance with normal practice the changes agreed during a COCOM List Review are all implemented together at the end of the Review. On this occasion it has been agreed exceptionally to implement certain "priority items" to which the US drew attention at the COCOM High Level Meeting last year, as they are agreed during the course of the List Review. There are however a number of non-priority items on which unanimous agreement in COCOM could probably be secured by mid 1983 and implementation by national administrations could follow thereafter. If this departure from precedent were agreed by COCOM it would be a useful demonstration of willingness to respond to US concerns and might help to defuse US concerns in other areas. It would also be in line with our security interests. Such a move would cost little or nothing - List Review items are considered individually on their merits and there are no trade-offs with other items.

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I suggest that we should make a proposal in COCOM on these lines if prior consultation with other COCOM partners indicates sufficient support. There would be no purpose in launching such an initiative if it were likely to encounter strong opposition.

Subject to your agreement and those colleagues to whom this letter is copied, I propose that officials should proceed accordingly.

I am copying this letter to other members of OD, to the Secretary of State for Industry and to Sir Robert Armstrong.

John W. Rees

PETER REES

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11 APR 1961

