



10 DOWNING STREET

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From the Private Secretary

31 October, 1983

*Dear Ruth,*

COCOM: Computers

The Prime Minister has seen your letter of 28 October.

She agrees with Mr. Tebbit that we should continue to object to a killer clause which would have the effect of preventing the legitimate export of computers without any strategic potential simply because they were destined for a particular industry. But she is still inclined to think that we need killer clauses related to the nature of the equipment under discussion.

I am copying this letter to the Private Secretaries to the members of OD and Sir Robert Armstrong.

*Yours ever*

*John Gals.*

Miss Ruth Thompson,  
 Department of Trade and Industry

CONFIDENTIAL

cc: JFO ①



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PS/ JF4641  
Secretary of State for Trade and Industry

28 October 1983

CONFIDENTIAL

John Coles Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

Prime Minister.

Agree with Mr. Tebbit that  
we should continue to object to  
killer clauses of the type described  
below?

Dear John,

COCOM : COMPUTERS

Thank you for your letter of 17 October.

attached. Yes A.S.C. 28/10  
- but we need killer  
clauses related to  
equipment

2 Mr Tebbit shares the Prime Minister's view that the nature of the Soviet system is such that advanced equipment ostensibly destined for civilian purposes can be readily diverted to military use. The case the Prime Minister has in mind - precision grinders exported by a US company to the USSR for civilian ball bearing manufacture but eventually used to make miniature ball bearings for SS18 missile guidance systems - was in our view a mistaken decision by the US authorities to release equipment with a potential military application. We know of other examples of such mistakes.

3 This case exemplifies our view that it is the performance levels and capabilities of the equipment in question, not the identity of the end-user, which should constitute the criterion for deciding whether or not to permit an export. It is for this reason that we object to a "killer clause" which would have the effect of preventing the legitimate export of computers without any strategic potential simply because they were destined for a particular industry. The American definition of "defense priority industries" to which strategically harmless computers could not be exported is very wide. We have recently had difficulty in securing US agreement in COCOM to exporting a computer for calculating wages to a Czech end-user on the grounds that part of the sale organisation is engaged in steel manufacture which is a "defense priority industry".



4 I understand that this issue arose during the COCOM discussions on computers last week, when most Member States other than the US took a line similar to that argued above. Mr Tebbit hopes that in the light of this explanation, the Prime Minister will feel able to agree that our delegation can indicate at the discussions, which continue this week, that it too is opposed to a "killer clause" of this kind.

5 I am copying this letter to the Private Secretaries to the members of OD and Sir Robert Armstrong.

*Yours sincerely,*

*Ruth Thompson*

RUTH THOMPSON  
Private Secretary

Sov. Union : Trade Relations #3



28 OCT 1983  
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S.M.