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PRIME MINISTER

Transfer of Carbon-Carbon Technology to the Soviet Union

As a supplement to the brief which I have submitted to you for your meeting at 9.45 a.m. today, I offer these further thoughts:

i) Security. The validity of the assessment of the relevance of the technology involved to the Soviet missile programme is crucial. To what extent is this an independent United Kingdom assessment and to what extent is the Ministry of Defence simply reflecting and endorsing a United States assessment? How easily could the Soviet Union acquire this technology elsewhere, perhaps in the context of a different civilian contract?

ii) COCOM. This case highlights one of many deficiencies in the COCOM list which (like the ABM Treaty) tends to lag behind technological advance. We are already co-operating actively with the Americans to tighten up COCOM. Could we not put it to them, if they raise this current case, that the answer is not to frustrate contracts legitimately concluded but to accelerate our work on updating the rules?

iii) Public handling. You will already have in mind Government statements in Parliament, during the pipeline dispute, about the importance of preserving the sanctity of contracts.

Bryan Cartledge

B G Cartledge

8 February 1985

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