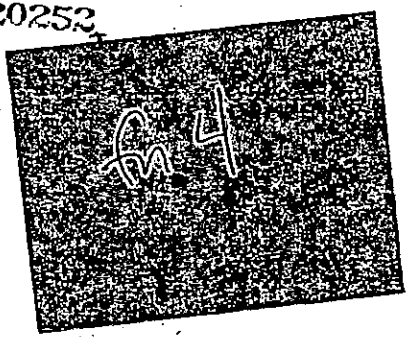




DEPARTMENT OF STATE
ACTION MEMORANDUM

s/s *R*

August 3, 1977



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TO: The Acting Secretary
THROUGH: T - Lucy Wilson Benson *LWB*
FROM: PM - Leslie H. Gelb *LHG*

Decision on Argentine Conventional Arms Transfer

Issue for Decision

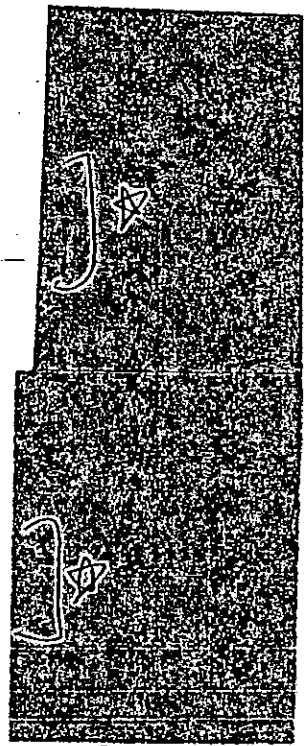
Whether to recommend to the President approval of the sale of helicopters to Argentina.

Essential Factors:

Attached is a memorandum from you to the President recommending approval of a commercial case involving the sale of eight Bell UH-1H armored helicopters (equipped to accept machine guns) valued at \$15 million to Argentina. Earlier submission of this case was held up along with many other Argentine commercial Munitions List licenses and FMS cases because of human rights considerations. On July 25, however, the Secretary approved a recommendation that would permit continued sales of defense articles and services to Argentina (each proposal to be reviewed by him on a case by case basis) except for defense articles ordered for police and civil law enforcement use which he agreed should be withheld. This case involves helicopters which the manufacturer states are to be used by the Argentine President (2) and for Antarctic exploration (6). I believe it should be sent to the President for his review with the suggestion we notify Congress in accordance with Section 36(c) of the Arms Export Control Act. The Bell-Textron company continues to complain about the delay, and Senator Bentsen expressed his personal concern to the Secretary that the issue be resolved. The Secretary has indicated that he is disposed to approve the case.

ACDA, DOD, ARA and H concur with PM in recommending approval. D/HA disagrees, asserting that the recurring and continuing kidnappings, arbitrary detentions and reports of tortures and other violations of the integrity of the person require that at the very least approval of the sale of these helicopters be conditioned on Argentine government guarantees that their use will be limited to the purposes specified.

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With concurrence of: _____ obtained _____ not obt.
IPS by *4* Date *10-27-16*~~

the use of arms is prohibited by treaty. ARA recognizes that the helicopters may be armed and could be used for general transportation. The Bureau notes, however, that we are already turning down almost all of Argentina's arms requests and that a limited goodwill gesture will demonstrate a token of faith that the Argentine armed forces will turn the human rights situation around.

PM believes that armored helicopters, even if eventually armed with machine guns, would have marginal relevance to urban guerrilla warfare as it is being conducted in Argentina. Almost any helicopter can be armed, but this does not make it an efficient weapon in an urban environment. On the other hand, armor plating for passenger and crew protection, even in general transport helicopters such as these, appears to be a reasonable purchase option where the fear of terrorist acts is real. The attachment point and wiring for machine guns is a multi-purpose fixture which also can accept searchlights and auxiliary fuel tanks. The latter attachments are desirable accessories for the helicopters which are to be used in Antarctica, where search and rescue and other longer-range missions may be expected.

Then Arg. times should be able to give assurance to that effect.

D/HA believes that continuing Argentine government violations of human rights argue for, at most, only a very qualified approval and that any approval at all will elicit adverse Congressional and public reaction. D/HA would reluctantly authorize two armor plated helicopters to protect President Videla and insist on elimination of armor in the remaining six helicopters. Moreover, D/HA recommends eliminating the machine gun mounts in all these helicopters. D/HA would also insist that we obtain assurances from the Argentine government that the helicopters will not be used for internal security purposes. D/HA argues that any helicopters destined for Argentina's armed forces, whether armored or not, are likely to be useful in internal security and police operations. D/HA points to kidnappings, arbitrary detentions, violations of the integrity of the person and reports of torture which continue in Argentina. It also notes Congressional and public criticism would result from a sale, especially in view of Congressional restraints on arms transfers to human rights violating countries dictated by Section 502 B of the Foreign Assistance Act.

If you approve the sale of helicopters, which are armored or have machine gun capabilities, the President should be asked to review this approval prior to notifying Congress in accordance with Section 36 C of the Foreign Assistance Act. Sales of helicopters not so equipped need not be referred to Congress as major defense equipment; however, the Department of Commerce would have to issue an export license.

The Options

1. Sell the helicopters as ordered by Argentina, that is, with the armor plating and hardware that permits the installation and firing of machine guns.

2. After receiving reliable assurances from the Argentine government that the helicopters will not be used for internal security purposes, permit the sale of the helicopters allowing only the two executive ones to have armor plating and eliminating machine gun mounts and wiring.

Recommendation

That you initial the memorandum for the President (attached) that recommends approval of the sale of Bell helicopters as ordered by Argentina (favored by ARA, DOD, and PM).

Approve _____ Disapprove _____

ALTERNATIVELY, that you authorize ARA to inform the Argentine government that we are prepared to recommend to the President that this case be submitted to the Congress if only the two executive helicopters are armored, if there are no machine gun mounts and wiring on any of the eight helicopters, and if we receive reliable assurances that the helicopters will not be used for internal security purposes (favored by D/HA and H).

Approve _____ Disapprove _____

Attachment:

Memorandum for the President

Drafted: ARA/ECA: FER ^{ff} / OJ ^g / D/HA: O Jones: PM: RTitus: jc
8/18/77: x29166
Clearance: H: DBennet ^{ff} / OSD/ISA: Col. Thomas ^{ff}

DEPARTMENT OF STATE
WASHINGTON

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MEMORANDUM FOR: THE PRESIDENT
FROM: Warren Christopher, Acting
SUBJECT: Request for a Decision on an
Argentine Conventional Arms
Transfer Case

Issue

Since Secretary Vance's July 18 memorandum to you, a commercial case which had been held up along with many other Argentine Foreign Military Sales (FMS) and commercial cases because of unresolved human rights questions has reached the point of decision prior to Congressional notification. This case falls within the new policy guidelines and I am recommending that it be approved. DOD concurs in this recommendation. The case involves the sale of eight Bell UH-1H helicopters for use by the Argentine President and for Antarctic activities.

Background

The total value of this commercial case is \$15 million. There is some urgency because we have delayed the matter while reviewing the Argentine human rights situation. The Bell Company has complained about the lack of a decision, and Senator Bentsen has expressed concern to Secretary Vance over our delay in reaching a decision on the sale. Although the helicopters are protectively armored and capable of being armed, the manufacturer states that two of the helicopters are for Presidential use and that six others are destined for use in Antarctica. Since they will not be used

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- 2 -

by the police or civil law enforcement agencies, their relationship to human rights problems is remote. While we have been very concerned about human rights practices in Argentina, I believe that, in the interest of our overall bilateral relationship with this important South American country, we should allow the sale of carefully selected military items such as these helicopters.

Recommendation:

That you approve the proposed sales case described above and authorize its required notification to the Congress.

Authorize. Yes _____ No _____

ALTERNATIVELY, that you delay approval of this case and authorization until the human rights situation in Argentina is significantly improved.

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