



DEPARTMENT OF STATE
ACTION MEMORANDUM

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S/S

D/HA
8/19/77
Caputo

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TO: The Secretary
THROUGH: T - Lucy Wilson Benson
FROM: ARA - William P. Stedman, Jr., Acting
D/HA - Patricia M. Derian
PM - Leslie M. Gelb
SUBJECT: Decision on Sale of Helicopters to Argentina

DELIVERED DIRECTLY TO
NOT RECORDED IN SAS

Issue for Decision

- Whether to recommend to the President approval of a sale of eight helicopters to Argentina.
- Whether those helicopters should have machine gun mounts and some armor plating.

Essential Factors

On July 25 you approved a recommendation that would permit continued sales of defense articles and services to Argentina - on a case-by-case basis - except for defense articles for police and civil law enforcement use, or which could be described as such, which you indicated should be withheld.

This case involves eight Bell UH-1H helicopters equipped to accept machine guns and with armor plating. The American manufacturer has informed us orally that the Argentine government intends two of the helicopters for executive use and the other six for general transportation, including use in Antarctica during the four months of the exploration season. During the remaining eight months the helicopters would probably be used in Buenos Aires. Bell Textron has been complaining about our delay in this case; Senator Bentsen has expressed his personal concern over this matter to you.

ARA feels the sale is justified, because the helicopters are essentially commercial models with important uses for the protection of President Videla and in Antarctica, where

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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.

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.

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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 ^{FR} Rondon: D/HA: OJones: PM: RTitus: jc

8/18/77: x29166

Clearance: H: DBennet/OSD/ISA: Col. Thomas

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THE SECRETARY OF STATE
WASHINGTON

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MEMORANDUM FOR: THE PRESIDENT
 From: Cyrus Vance
 Subject: Request for a Decision on an Argentine
 Conventional Arms Transfer Case

Issue

Since my 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 transport helicopters. The American manufacturer has informed us that the Argentine government intends two of the helicopters to be used by the Argentine President, against whom there have been four assassination attempts, and the other six for general transportation in the Buenos Aires region and for four months of the year in support of Antarctica exploration.

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. Although the helicopter contract calls for protective armor and installation of machine gun capability, an international treaty prohibits their being armed while in use in Antarctica. There is likely to be Congressional and public opposition to the administrative approval of this sale because of the continuing severe human rights violations in Argentina, especially in light of constraints our Congress has placed on arms transfers to such countries in Section 502 B of the Foreign Assistance Act. Our denial of nearly all Argentine Arms requests testifies to our continuing concern over human rights violations in Argentina. Nevertheless, on balance, I

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believe that, in the interest of our overall bilateral relationship with this key 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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Human RB - Argentina I

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