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DEPARTMENT OF STATE

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Washington, D.C. 20520

Attention **MRS MULLETT**
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October 7, 1971

SECRET Attachment

Dist to:
RF

MEMORANDUM FOR: Brigadier General Robert E. Pursley
Military Assistant to the Secretary
of Defense

Acting Secretary Johnson has asked that I send
you a copy of the attached memorandum to the
President on the Jezebel/ASW matter.

Theodore L. Eliot, Jr.
Executive Secretary

DEF 12-5-BRAZ

Attachment:

As stated.

S/S:RTCurrans:hhb

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SECRET Attachment

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DEPARTMENT OF STATE
WASHINGTON

October 7, 1971

SECRET

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Sale of Maritime Patrol Aircraft
to Brazil

Secretary Rogers has reviewed this question and feels strongly that the AQA-5 (Jezebel) anti-submarine warfare (ASW) system should be released to Brazil should the latter purchase the NATO Maritime Patrol Aircraft (NMPA) and that refusal to do so could cause serious problems with our NATO partners.

The Secretary's view is based on the following reasons:

-- The NMPA is an outstanding example of NATO cooperation; it is not a French plane. Its sale requires approval by a NATO Committee on which the US is represented and this approval has already been given. Components for the plane are being manufactured by Italy, Germany, France, the Netherlands, Canada, the US, the UK, and Belgium. USNATO estimates that 39 percent of the plane is produced in France and 61 percent by the other NATO members. It has always been US policy to authorize the sale of co-produced equipment only to those countries to which the US would authorize the direct sale of US equipment. For instance, the US vetoed the sale of the NMPA to South Africa, India, and Pakistan. Similarly, we have made clear throughout the years in the NATO Committee that we would agree to the export of NATO produced equipment, including US components, if we were prepared to authorize the export of similar equipment from the US.

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At the time the NATO Committee authorized the sale of the NMPA to Brazil, the Jezebel was not included because the US Navy had not permitted its release to Brazil. Since then the Jezebel has been released for sale on the P-3. Our NATO allies have therefore every right to expect that the Jezebel would also be released for the NMPA.

-- To do otherwise, for patently commercial reasons, would be most disruptive to future NATO cooperative production programs. Moreover, in the present climate of uneasiness created by the New Economic Policy, such action would be interpreted by Europeans as clear evidence that commercial considerations now dominate our policies regardless of NATO political considerations. In the long run, this course could have most damaging consequences, not offset by a one-time commercial gain.

-- Finally, US refusal to release the Jezebel on the NMPA would signal a reversal of our policy of basing military export controls on foreign policy and security grounds in favor of one of denying export licenses for commercial reasons. Such action would indicate that the US is now actively pushing the sale of military equipment to developing nations to a degree never done before. Such a decision could create serious difficulties with those in Congress who strongly oppose the sale of military equipment abroad.

We agree with the Department of Defense that the sale of the P-3 to Brazil would bring economic benefits to the US and might produce additional sales elsewhere in the Latin American defense market. In fact, we have and will continue to work closely with Defense in doing all that is legitimately possible to promote this sale. However, we do not feel that the threat to withhold the sale of the Jezebel on security grounds if Brazil purchases the NMPA is defensible with either our NATO allies or with Brazil.

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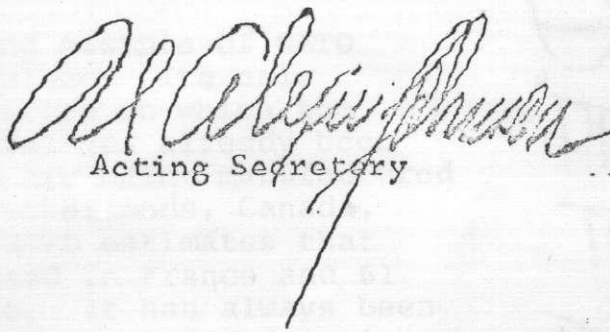
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WASHINGTON

We are unable to understand how the release of the Jezebel in the P-3 would bring security advantages that would not largely be obtained with its release in the NMPA. If Brazil is to play a role in countering a Soviet submarine threat and if it has sufficient technical competence and an adequate security safeguard system for the equipment, it would seem to follow that the security aspects will be essentially the same whether the AQA-5 is on a Lockheed P-3 or a NATO produced NMPA.

We thus consider that the future of NATO projects like the NMPA, our relations with our NATO allies, particularly at a time when their cooperation on a broad range of major issues is of the highest importance, and our general practice of basing export controls on policy rather than commercial grounds argue for a decision to release the Jezebel to Brazil on either the P-3 or the NMPA.



Acting Secretary

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