Sanitized Copy Approved for Release 2010/07/26 : CIA-RDP90-00552R000303090034-1

ASSOCIATED PRESS

STAT

3

UP140

27 May 1982

R I

AM-BALANCE 1STLD-WRITETHRU 5-27

(5GRAFLD; PICKSUP3RDGRAF: THE SOURCE; BRITISH REPORT SAYS FORMER CIA AGENT OFFERED TO SELL MISSILES TO ARGENTINA)

BY PATRICIA MCCARTY

LONDON (UPI) -- ARGENTINA HAS RESTOCKED ITS DWINDLING SUPPLY OF EXOCET MISSILES -- THE DEADLY ACCURATE, SEA-SKIMMING WARHEAD THAT ALREADY HAS DESTROYED TWO BRITISH SHIPS, A GOVERNMENT SOURCE TOLD UPI THURSDAY.

THE SOURCE SAID THE FRENCH-MADE RADAR-GUIDED MISSILE REPRESENTS THE GREATEST THREAT TO BRITAIN'S WAR FLEET AND COULD TIP THE BALANCE OF THE BATTLE FOR THE FALKLAND ISLANDS IN ARGENTINA'S FAVOR.

A BRITISH TELEVISION REPORT SAID FORMER CIA AGENT ED WILSON, AN ARMS DEALER WHO FLED TO LIBYA WHILE FACING CHARGES OF SMUGGLING EXPLOSIVES TO COL. MOAMMAR KHADAFY, OFFERED A SWEDISH ARMS TRADER FOUR EXOCET MISSILES FOR ARGENTINA.

ARMS MIDDLEMAN SVEN KLANG TOLD INDEPENDENT TELEVISION NEWS WILSON ASKED HIM TO GO TO PARIS TO MEET WITH AN ARGENTINE MILITARY ATTACHE. "IT WAS CLEAR THEY WERE TALKING ABOUT THE EXOCET AM39," HE TOLD ITN.

KLANG SAID THE DEAL DID NOT GO THROUGH "BECAUSE I FOUND HOW THEY WERE GOING TO USE IT. I UNDERSTAND THEY WERE GOING TO USE IT ON SOME OF THESE BIG (BRITISH) SHIPS -- QUEEN ELIZABETH II OR SOMETHING LIKE THAT."

THE SOURCE ALSO DISCLOSED THAT A PILOT OF AN ARGENTINE SKYHAWK SHOT DOWN OVER THE SAN CARLOS BEACHHEAD MONDAY HAS BEEN IDENTIFIED AS A PERUVIAN NATIONAL. PERU AND ARGENTINA DENIED THE ALLEGATION.

THE BRITISH MINISTRY OF DEFENSE DECLINED TO COMMENT ON EITHER REPORT. BUT PRIME MINISTER MARGARET THATCHER TOLD PARLIAMENT THAT MISSILES MAY BE REACHING ARGENTINA "THROUGH THIRD PARTIES."

"THERE WOULD APPEAR TO BE VERY ACTIVE EFFORTS TO SECURE FURTHER SUPPLIES OF MISSILES AND OF SUPPLIES," SHE TOLD AN MP WHO QUESTIONED HER ON THE SUBJECT.

"WE HAVE BEEN IN TOUCH WITH THE NATIONS CONCERNED."

MILITARY ANALYSTS ACKNOWLEDGE BRITAIN'S WARSHIPS DO NOT HAVE AN EFFECTIVE DEFENSE AGAINST THE EXOCET, WHICH SKIMS THE SURFACE OF THE SEA AT 600 MPH AND USES ITS OWN RADAR TO LOCK ON TO A TARGET.

TWICE IT HAS BEEN FIRED FROM ARGENTINE SUPER ENTENDARD JETS AT SHIPS MORE THAN 18 MILES AWAY WITH COMPLETE SUCCESS -- SINKING THE DESTROYER HMS SHEFFIELD MAY 4 AND CRIPPLING THE SUPPORT SHIP ATLANTIC CONVEYOR ON TUESDAY.

BRITISH DEFENSE SOURCES BELIEVED ARGENTINA HAD ONLY SIX EXOCETS AT THE BEGINNING OF THE WAR. TWO WERE FIRED AT THE SHEFFIELD, AND TWO AT

Sanitized Copy Approved for Release 2010/07/26 : CIA-RDP90-00552R000303090034-1