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PREM 19/955

Falklands Islands Review

ARGENTINA

Part 1: April 1982

Part 3: October 1982

PART 3.

PREM 19/955

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
~~3.11.82~~							
~~4.11.82~~							
~~15.11.82~~							
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PART 3 ends:-

BI to Chief Information Officer
18.1.83

PART 4 begins:-

FERB to PM 9.1.83

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

1. House of Commons Hansard, 8 July 1982, columns 469-474

2. House of Commons Hansard, 19 October 1982, Columns 90-91 "Written Answers"

3. House of Commons Hansard, 18 January 1983, columns 171-183.

Signed CMWayland Date 7 February 2013

PREM Records Team

Mr R Butler

10 DOWNING STREET

MR TAYLOR
MR GOULDEN
MR STUBBS

Attached is the line that I shall be taking with the Lobby at 11.00am today on briefing on Franks. I would be grateful if you would follow it in your briefings and do nothing to assist the media in identifying the more important paragraphs in the Franks Report.

B. INGHAM
18 January 1983

The Prime Minister was willing that to assist the Lobby in processing the Report rapidly I should provide a list of the paragraph numbers of the more important paragraphs out of the total of 339 which made up the Report.

She had not of course authorised me to brief on the substance or contents of the Report and I had no intention of doing so. Nor have we done so prior to today.

It is now clear from this morning's broadcasting that a member or members of the Lobby has or have disclosed this intention to list key paragraphs to MPs, one of whom has also tabled a Parliamentary Question.

This has stimulated allegations that the purpose behind my identifying paragraphs is to manage the news.

I deeply resent this, especially when my performance can be readily checked later by reading the Report.

As a result the Prime Minister thinks it would be far better if I did not carry out my original plan. No question of news management could then arise.

I am therefore not able to help you in the way intended. I am sorry about this but I can only say the Lobby has brought it upon itself.

If I can be of assistance after publication in helping members of the Lobby through the Report I am at your disposal. But I stress that it will not be with any intention of news management.

B. INGHAM

18 January 1983

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Prime Minister

This will be helpful to have by you for the debate.

A.J.C. 19/1

MR. COLES

FRANKS REPORT

1. The Prime Minister asked me to look into the question whether the FCO had been dilatory in dealing with the proposed message from Lord Carrington to Costa Mendez (para 147).

2. On the face of it, it does look as though the draft took a leisurely course. It was prepared after the meeting on 5 March and dispatched for clearance by the Island Council on 8 March (para 154). The Islanders agreed the message on 16 March and a draft was submitted to Lord Carrington on 18 March (paras 154 and 155). Lord Carrington subsequently decided to circulate the draft to his colleagues with a minute of 24 March (para 156). By that time it had been overtaken by events in South Georgia and was never sent. In para 301, the Report suggests that no paper was tabled for OD in mid-March because Lord Carrington thought it right to await Costa Mendez's response to his message - which, in the event, was never sent.

3. In fact, my researches with the FCO reveal that the situation was not as bad as it looks from the Report. The Department submitted a draft message on the day of Lord Carrington's office meeting - 5 March. The weekend intervened and the message was sent on Monday, 8 March for clearance with the Islanders. For geographical reasons it was impossible to convene the Councils until 16 March. The Governor reported their agreement to the message in a telegram which arrived in the FCO late on 17 March. So far so good.

4. On Thursday, 18 March the Department recommended that the message should be sent. This reached Lord Carrington's office late on Friday, 19 March after it had been seen by Mr. Luce. It was decided that it should go into Lord Carrington's weekend box. The Department's view was that it was neither necessary nor particularly appropriate for our Ambassador in Buenos Aires to deliver this delicate message over the weekend. It was therefore acceptable for the telegram to issue on the following Monday.

5. However, news of the South Georgia incident reached the FCO on 20 March. Lord Carrington held an office meeting on Monday, 22 March to discuss the events of the weekend and their effect on the draft

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submitted the previous week. In the new circumstances, it was agreed at this meeting that Lord Carrington should not send his message to Costa Mendez until his OD colleagues had had an opportunity to comment on his proposed minute to the Prime Minister (of 24 March).

6. This sequence of events does not seem to me to be in any way blameworthy. It was not unreasonable, without hindsight, that the draft telegram agreed on 5 March should not have issued until 8 March. Equally, there was no avoiding the delay in its consideration by the Island Councils. This brings us to 17 March. Again, without hindsight, it was not unreasonable that the dispatch of the telegram was held up over the weekend. By that time, South Georgia had happened and the question of the message to Costa Mendez became bound up with consideration of the South Georgia crisis.

7. Equally, it was not as if nothing had happened in the meantime. On 3 March (para 140) Mr. Luce had sent a personal message to Ros about the unilateral communique. On 4 March (para 141) Mr. Williams had seen Ros who had responded to Mr. Luce's message. He had also seen Costa Mendez on 5 March. On 6 or 7 March (para 144) Tom Enders had talked to the Argentines (not very effectively) at Mr. Luce's request. On 8 March, Lord Carrington had instructed the Embassy in Washington to speak to Secretary Haig, who replied on 15 March (para 157). Hence, the abortive message to Costa Mendez was by no means the only diplomatic ball on the field between the end of the New York talks and the South Georgia incident.

AD 18/1

A.D. PARSONS
18 January 1983

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Ref: B06678

MR BUTLER

c Sir Robert Armstrong

Franks Report

In your minute to Sir Robert Armstrong of 14th January, you asked for material for the Prime Minister's speech opening the debate on the Franks Report to be sent to you by close of play today.

2. This is now attached. How it is used will clearly depend on the lines of attack developed by the Opposition between now and next week's debate: so we have taken you at your word and not attempted to work the material up into a continuous draft.

3. The material follows the outline attached to Sir Robert Armstrong's minute of 12th January and comprises contributions from Mr Rawsthorne, the Foreign and Commonwealth Office and the Ministry of Defence, as well as the Cabinet Office. For Parts V and VI, I have simply indicated the relevant sections in the "Goodall Group's" commentary on the report, which you already have.

4. I am copying this minute and the material to Sir Antony Acland and Mr Whitmore. If they have any comments, perhaps they could let you have them direct.

18th January 1983

A D S GOODALL

PRIME MINISTER'S SPEECH OPENING THE DEBATE ON THE FRANKS REPORT

DRAFT

PART 1: ORIGINS OF THE REVIEW COMMITTEE

1. It was on 8 April 1982, just six days after the unprovoked act of Argentine aggression, that I stated in reply to the Rt Hon Member for Orkney and Shetland (Mr J Grimond) that a review should be held of the way in which the Government Departments concerned had discharged their responsibilities in the period leading up to the Argentine invasion (Hansard, Col 416, 8 April 1982).

2. During the following three months, the Government's energies were directed towards reversing the illegal Argentine seizure of the Islands, initially by diplomatic methods but, when that failed, by military means. Once that had been accomplished, consultations were set in hand with the Leader of the Opposition and of other Opposition parties about the nature and scope of the proposed Falkland Islands Review. Consultations were completed by 6 July 1982 when, in a written answer to a Parliamentary Question, I was able to announce the appointment of a Committee of Privy Counsellors, under the chairmanship of Lord Franks, with the following terms of reference:

"To review the way in which the responsibilities of Government in relation to the Falkland Islands and their Dependencies were discharged in the period leading up to the Argentine invasion of the Falkland Islands on 2 April 1982, taking account of all such factors in previous years as are relevant; and to report". (Hansard, Col 51, 6 July 1982).

The same day I announced the names of the other members of the Committee (Hansard, Col 52, 6 July 1982).

3. On 8 July, the House of Commons debated and approved the Government's decision to set up the Falkland Islands Review. Introducing that debate, I explained why the Government had decided to appoint a Committee of six Privy Counsellors to conduct the Review and to give it the terms of reference which I have just mentioned. I should like to recall the salient points of my statement.

4. On the nature of the Review, I said that the over-riding considerations were that it should be independent, that it should command

confidence, that its members should have access to all relevant papers and persons and that it should complete its work speedily. Those four considerations, taken together, pointed naturally to a Committee of Privy Counsellors since with this form of inquiry, compared to others, there need be no reservations about providing it with all the relevant evidence - much of it highly sensitive - subject to safeguards upon its use and publication.

5. I recalled that there were several precedents for a Government setting up a Committee of Privy Counsellors in this way and cited the Committee established in November 1955 to examine security procedures in public services as a result of the defection of Burgess and Maclean. I explained that, in the case of the Falkland Islands Review, it would be necessary to take steps to protect information made available to it whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom. While retaining the Government's right to delete such material from the Committee's report, I nevertheless gave the House three assurances:

first, that no deletions would be made save strictly on the grounds of protecting international security or international relations. Second, that Ministers would consider any proposed deletions individually and critically and accept such proposals only on the grounds I have specified. Third, that the Chairman of the Committee would be consulted if any deletions had to be proposed. I stressed that it was the Government's aim to present to Parliament the report of the Committee in full.

6. I then dealt with the scope of the review, explaining that geographically it would include the Dependencies - ie South Georgia and the South Sandwich Islands; and that, in order to have a fair perspective on the events leading up to the Argentine invasion, the Committee's terms of reference empowered it to take account of the negotiations, actions, intelligence and other assessments over previous years. For this purpose, the Committee would have access to any relevant documents of previous Administrations. Following consultations with previous Prime Ministers (Mr MacMillan, Lord Home, Mr Wilson, Mr Heath and Mr Callaghan), it was agreed that the Committee should

have such access, subject to certain conventions, consistent with what has been done in the past. Amongst these was the rule that no member of the present Government could or would see any documents of any previous Administration unless he or she was a member of such an Administration or was entitled for that reason to see those papers.

7. Finally, I said that while the Committee must be given the time it needed to carry out its work thoroughly, the review also needed to be completed as quickly as possible. I therefore expressed the hope that it could complete its task within six months.

PART II: PROCEEDINGS OF THE COMMITTEE

8. No-one could question the speed and thoroughness with which the Committee has fulfilled its remit. In a period of six months, it not only assimilated the substantial body of papers made available to it, but held 42 meetings and, in 39 sessions of oral evidence, interviewed the present and former Ministers and officials principally concerned, Members of both Houses of Parliament, and others.

9. The introduction to the Report makes it clear that the Committee received all the papers relevant to its review, including all relevant Cabinet and Cabinet Committee papers and a comprehensive collection of reports from the intelligence agencies. The Committee itself acknowledges that any files it wished to see were freely available to it and that all its requests for additional papers and information were met.

10. I can also assure the House that all the conventions that I described in my speech on 8 July have been observed. In particular,

neither I nor any other member of the present Government has seen any documents of a previous Administration other than those we are entitled to see. All the original documents made available to the Committee have been returned to the Departments concerned; and all copies made for the use of members of the Committee have been destroyed.

11. I can also assure the House that the procedure which I explained the Government would follow in publishing the report has been exactly and scrupulously followed. The only ground on which amendments have been made is to protect national security. As I informed the House on 18 January, all these amendments have been agreed with the Rt Hon and noble Lord, Lord Franks. To repeat what I said on that occasion, Lord Franks has authorised me to say that he agrees that:

(a) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as present to Parliament, most of them without amendment;

(b) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(c) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

PART III: THE COMMITTEE'S REPORT

12. I turn now to the Report itself which I presented to Parliament in a brief statement on 18 January.

13. It consists of four chapters. The first three describe, in progressively greater detail, the development of the dispute with Argentina over the Falkland Islands from 1965 to the invasion on 2 April 1982.

14. The account starts with the steps taken by the Argentine Government in 1965 to bring the dispute to international attention at the United Nations. It describes the negotiations in which successive Governments participated and the various attempts made to reach a settlement that included resolution of the sovereignty issue. This part of the report deals in some detail with the events of 1976 and 1977, a previous period of tension in the dispute. As the report points out, parallels have been drawn between this period and the period leading up to the invasion.

15. The report gives an account of the naval deployments made by the previous Government. Of these, the deployment to the area in November 1977 of a nuclear-powered submarine and two frigates has attracted particular attention since the Rt Hon Gentleman, the Member for Cardiff, South East, made its existence known at the time of the invasion. The Committee records that it found no evidence that the Argentine Government ever came to know of the existence of this deployment.

16. The report also makes clear that leaseback was seen by the previous Government as ultimately the most likely means of achieving an agreed solution of the dispute, although they did not at that stage propose it to the Argentines.

17. The second chapter of the report describes the way in which policy developed from the time the Government took office in May 1979. It outlines the consideration given to the issue by Ministers, which

led to a decision to seek a solution based on leaseback, on which Mr Ridley was authorised to sound out Islander opinion when he visited the Islands in November 1980. It refers to the hostile reception he received in this House on his return from the Islands and to the review of policy undertaken in the Foreign and Commonwealth Office in the summer of 1981. It describes the subsequent action taken by the Rt Hon and noble Lord, Lord Carrington, the diplomatic exchanges with Argentina that followed, notably the last round of formal negotiations between the two Governments in New York at the end of February 1982, and the events that followed them.

18. The third chapter sets out in detail the events of the fortnight leading up to the invasion, from the landing on South Georgia on 19 March. This account is particularly relevant to an understanding of when information reached Ministers indicating that an invasion was likely to take place, and to the Committee's judgement whether the invasion could have been foreseen. On this matter, I would also

draw the House's attention to Annex A, which deals with several misleading assertions that have been made. In commenting on the third of these assertions, the Committee states categorically that it is satisfied that no communication was sent from Buenos Aires to London on or around 24 March warning that an invasion was imminent.

19. Chapter 4 deals with the Government's discharge of their responsibilities, I shall come later to the Committee's conclusions on the central issues in its report.

PART IV: THE COMMITTEE'S COMMENTS ON DEVELOPMENTS FROM 1965 TO MAY 1979

20. I should like first to mention the issues that the Committee identifies from its study of the whole period as important for an understanding of more recent events. The report points out that over this period the main features of the dispute remained constant. The Argentines were committed to the 'recovery' of the Islands; the Islanders consistently resisted proposals for constitutional change involving any form of transfer of sovereignty; while successive British Governments sought a negotiated settlement and were prepared to agree to one involving some form of sovereignty transfer, provided that it was acceptable to Parliament and the Islanders.

21. At the same time the report identifies developments in British policy under successive Governments that may have led Argentina to conclude that Britain's commitment to the defence of the Falkland Islands and to its sovereignty over them was diminishing. These included the maintenance by all Governments of only a token military

presence in the area; the previous Government's response to the establishment in 1976 of an Argentine presence on Southern Thule; and the decision not to implement some of the recommendations of Lord Shackleton's 1976 report.

22. The cumulative result of these developments was, as the Report makes clear, a gradual narrowing of the negotiating options. What we are concerned with is a process which began in 1966 when the Labour Government decided to abandon the position that British sovereignty over the Falkland Islands was not negotiable. In March 1976 they formally stated to Argentina that they would be prepared to cede sovereignty over the Islands under certain conditions. As the House knows, there followed a period of 15 years of negotiations. When this Government took office in May 1979, 12 of those years had passed and with the benefit of hindsight it is clear that we were approaching the end of a process: the resources of diplomacy were close to exhaustion. That was not however apparent at the time. Nor was it expected that the crunch, when it came, would take the form of direct Argentine aggression.

PART V: THE COMMITTEE'S COMMENTS ON THE WAY THE GOVERNMENT DISCHARGED ITS RESPONSIBILITIES

23. I would now like to deal with the comments in chapter 4 of the Report on the way in which the Government discharged their responsibilities which is based on the detailed description in chapters 2 and 3 of the events leading up to the invasion.

[Draw on the recension prepared by the Goodall Group, in particular:

A6 - No immediate response to Prime Minister's request of 3 March 1982 for contingency planning (paragraphs 152 and 303).

A12 - Policies casting doubt on British commitment to the Islands (continued arms sales to Argentina, 1976 Shackleton survey and British Nationality Act (1981)) (paragraph 280).

A13 - HMS Endurance (paragraph 288).

A14 - Lord Carrington allowed the initiative to pass to Argentina (paragraph 290).

A16 - No Cabinet or OD discussion between January 1981 and 25 March 1982 (paragraphs 291-292).

A17 - Misjudgement of Argentine intentions by the Foreign and Commonwealth Office (paragraph 296).

A18 - Failure of Foreign and Commonwealth Office officials to press for action (paragraphs 300, 302 and 330).

A26 - SSN should have been sent earlier (paragraph 332).

A27 - Prime Minister not clear enough over meeting force with force (paragraph 333).]

PART VI: THE COMMITTEE'S SUGGESTIONS ON THE INTELLIGENCE ORGANISATION

[Consideration is still being given to what the Prime Minister should say about the changes being made to the Intelligence organisation, partly in response to the Franks Committee's comments. Sir Robert Armstrong will be minuting some suggestions shortly. Meanwhile, the relevant passages inthe "Goodall Group's" commentary are:

A20 No revision of the July 1981 JIC Assessment (paragraphs 308, 309 and 315).

A21 No allocation of additional intelligence resources (paragraph 311).

A23 Insufficient weight paid to Argentine press campaign and to the effects of actions by the British Government (paragraph 316).

A24 Assessments machinery too passive and in need of review (paragraphs 318-319).]

PART VII: THE COMMITTEE'S MAIN CONCLUSIONS

Could the invasion have been foreseen?

25. As the Report makes clear, the invasion of the Falklands on 2 April 1982 could not have been foreseen. Invasion had always been seen as one of the options available to the Argentines; but not a single one of the many knowledgeable people interviewed by the Franks Committee thought before the very last days of March that an invasion was likely to take place in April.

26. The Report relates details of the information available to the Government in early March, notably that despite the evidence of increasing Argentine impatience, direct pressures would follow, not precede, a breakdown of negotiations and the crucial period would be the second half of 1982. This was consistent with the Government's own analysis. It was the Government's purpose to ensure the continuation of those negotiations, providing it could be done on terms acceptable to all concerned including, of course, the Falkland Islanders. As the Report records, my Rt Hon and noble friend, Lord Carrington, was ready to send a reply, agreed with the Islanders, carrying forward

the Argentine proposal to establish a negotiating commission when the illegal landing took place on South Georgia and changed the situation.

26. Thereafter, as the Report demonstrates, the Government made determined efforts to resolve diplomatically the question of the illegal presence on British territory and went to great lengths both to avoid exacerbating the situation and to offer constructive proposals for a solution. Even though we would have been perfectly within our rights, the British Government were careful to take no action which the Argentines might see as provocative. But the Argentine Government, despite the initial indications that they did not wish the South Georgia incident to escalate, decided to exploit it and resisted all our efforts to resolve it.

27. In the weeks preceding the invasion there were a number of reports about Argentine naval movements. But it was not until 31 March that we received the first clear indication that action might be

planned against the Falkland Islands themselves. By this time one nuclear submarine had already been ordered to the South Atlantic and another was being prepared. To support our diplomatic efforts, I asked President Reagan to exert his own influence to contain the situation, which he readily agreed to do. Regrettably, the Argentines chose to rebuff the President. Even as late as 1 April, there was no firm evidence that the Argentine junta had taken the decision to mount an invasion although the deployment of several of their naval ships to the area was increasingly ominous. We may all judge for ourselves the hypocrisy of the Argentine Foreigh Minister's reference, in the statement given to our Ambassador on 1 April, to the 'unusual British naval deployment towards our waters'. When it became clear at a very late stage that the Argentines were determined to press ahead with their folly, the British Government reacted, as the House knows, with a speed and strength of purpose which have won this country great respect around the world.

Could the Government have prevented the invasion?

28. I now turn to the question whether the Government could have prevented the Argentine invasion of the Falkland Islands. As the Report makes clear, this is a complex question. One thing, however, is clear. The Falkland Islands and the South Atlantic Dependencies have always been vulnerable to hostile military action by Argentina. Successive Governments accepted that the small Royal Marine detachment on the Falkland Islands could not deal with a full-scale invasion. It was there to provide a symbol of our determination to defend the Islands and to deal with small-scale 'adventurist' incursions. The Ice Patrol ship HMS Endurance has a limited military capability and could not defend the Islands against full-scale aggression on the part of the Argentine Navy. No Government was prepared to establish a garrison on the Islands and a naval presence in the South Atlantic of sufficient strength to repel a full-scale invasion. And it is the case that successive defence reviews, conducted by Governments of both main parties, have resulted in a concentration on our roles within NATO.

29. The other essential point to understand about the defence of the Falkland Islands is the difficulty of reinforcement. Given the distances involved, the lack of diversion airfields and the lack of facilities at Port Stanley, reinforcement by air was never a practicable proposition in the period we are discussing. Reinforcement of the garrison therefore would have had to be by sea. This would take at least three weeks. Moreover, large scale reinforcement could not be kept secret. In a tense situation, there was always the risk that reinforcement could provoke the very action it was designed to deter. Such an action was also liable to severely damage the prospects for diplomacy. These are the facts - and facts accepted by successive Governments. Without exception, they rejected the alternative of "Fortress Falklands". Nor at any time did the House press for this alternative.

30. Nor did this Government give the Argentines any reason to suppose that we would stand idly by if they took the Islands by force.

On the contrary, we made it clear in diplomatic exchanges that while sovereignty over the Islands was a subject for negotiations, it was not one for surrender. We made it clear time and again that the garrison remained as a symbol of our commitment to the defence of the Islands. And our reaction to the landings in South Georgia, while seeking a peaceful solution, should have given the Junta clear warning that we would not acquiesce in any occupation of South Georgia, let alone of the Falklands. And in this context let me remind the House of the fact, fully documented in the Committee's Report, that the previous Government, when faced with the establishment of an Argentine military presence on South Thule in December 1976, contented itself with a formal protest; and, I quote, 'took no steps to make public the Argentine presence on Southern Thule, which did not become known in the United Kingdom until May 1978'. [The Argentines maintained their presence there and <u>were still in occupation at the time of the invasion</u>].

32. I believe that the House will reach the same conclusion as the Franks Committee. That, in what were extremely difficult circumstances,

there was nothing more which could in reality have been done to prevent the invasion, short of agreeing to yield sovereignty. The House and successive Governments have set their face against this. unless it were in accordance with the wishes of the Islanders. The invasion was a gamble by an unpredictable and unstable dictatorship, frightened by the evidence of economic collapse and riots in the streets, at a time when it was able to exploit to its advantage the developments in South Georgia.

PART VIII: CONCLUSION

33. [To be drafted by No 10].

FBRB

FRANKS REPORT

CONCLUSIONS OF A MEETING HELD AT NO 10 DOWNING STREET ON 17 JANUARY 1983 at 2 PM

Present:

Mr B Ingham	-	Prime Minister's Office
Miss R Christopherson	-	Prime Minister's Office
Mr J Goulden	-	FCO
Mr N Taylor	-	MoD
Mr J Stubbs	-	MPO
Mr D Colvin	-	Cabinet Office
Mr I Kydd	-	Prime Minister's Office.

The meeting considered Bernard Ingham's minute of 17 January concerning publication arrangements for the Franks Report. The following conclusions were reached:

- Locked Room Techique (Question 1)

  It was agreed that this approach would not be appropriate.

- Lobby Briefing (Question 2)

  The Lobby did not want a briefing but Mr Taylor and Mr Goulden would hold themselves in readiness to join Mr Ingham if the Lobby requested a briefing or if there was a demand from diplomatic/defence correspondents.

- Official Reaction

  In addition to drawing on the Prime Minister's statement, Government spokesmen would indicate general satisfaction of an authoritative report.

- Ministerial Interviews (Question 5)

  The Prime Minister had accepted that Ministers should not give interviews although she had not absolutely ruled out the possibility that she might need to herself. No 10 had informed Departments represented on the "War Cabinet", including the Attorney General's and Paymaster General's offices. In addition No 10 had spoken to Mr Biffen's Office and the Treasury. The Group would review the position on Wednesday morning.

- Distribution of Copies (Question 5)

  To be handled by Miss Christopherson. No 10 had ordered 500 for distribution as follows:-

  100 for MPO
  50 for MoD
  50 for FCO
  100 to be retained by No 10
  250 to Press Gallery (200 for Lobby/Press Gallery, 50 for foreign Press).

  MPO, MoD, FCO would arrange to collect their copies from No 10 at 3.15 pm. MPO would make copies available to leader writers.

- Defensive Briefing

  Consideration should be given to any other questions likely to be raised by the Press and not covered by Annex A of Sir Robert Armstrong's minute of 14 January.

- JIC

  Any questions should be referred to No 10. It was noted that Sir Anthony Acland ceased to be the Chairman of the JIC on 6 January 1982 when Patrick Wright took over.

- Witnesses

  All those who gave evidence were identified by name with the exception of 4 or 5 members of the Intelligence community.

- Unions

  The PUSS at the FCO might call in representatives of the unions concerned and provide copies of the Report.

- Sir Anthony Parsons

  No 10 would ensure he was aware of the position regarding interviews.

- Lead Departments

  Lead Departments were identified in respect of the briefing prepared by the Cabinet Office (see list attached).

- Responsible for Invasion?

  The Argentine Junta.

It was agreed that there should be a further meeting at 09.45 on Wednesday to review the situation.

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18 January 1983

OBSERVATIONS OF THE FRANKS REPORT ON THE GOVERNMENT'S HANDLING OF THE DISPUTE WITH ARGENTINA OVER THE FALKLAND ISLANDS AND A REASONED COMMENTARY ON EACH

(Note: all paragraph references are to the Franks Report)

FCO A1 - Mr Ure's report, recommending fuller contingency plans, in June 1981 (paragraph 90)

FCO A2 - Failure to heed the warning of HM Ambassador, Buenos Aires, in June 1981 (paragraph 91)

FCO A3 - British policy after October 1981 as 'Micawberism' (paragraph 104)

MOD A4 - No detailed contingency plans by the Ministry of Defence (paragraph 113)

FCO A5 - Demise of leaseback leading inevitably to confrontation (paragraph 121)

MOD A6 - No immediate response to Prime Minister's request of 3 March 1982 for contingency planning (paragraphs 152 and 303)

FCO A7 - Delay in circulating paper on civil contingency planning (paragraph 155)

Tsy A8 - Treasury refusal to meet costs of civil contingency planning from the Contingency Reserve (paragraph 188)

MOD A9 - No recommendation to send surface ships on 30 March (paragraphs 224-225)

FCO A10 - Argentina's belief that the United States would not actively oppose forceful action (paragraph 276)

MOD A11 - Effect of successive Defence Reviews (paragraphs 278-279)

FCO (MOD/HO) A12 - Policies casting doubt on British commitment to the Islands (continued arms sales to Argentina, 1976 Shackleton survey and British Nationality Act (1981)) (paragraph 280)

MOD A13 - HMS Endurance (paragraph 288)

FCO A14 - Lord Carrington allowed the initiative to pass to Argentina (paragraph 29

FCO A15 - No OD paper circulated in March 1982 (paragraphs 291-292)

FCO A16 - No Cabinet or OD discussion between January 1981 and 25 March 1982 (paragraphs 291-292)

FCO A17 - Misjudgement of Argentine intentions by the Foreign and Commonwealth Office (paragraph 296)

FCO A18 - Failure of Foreign and Commonwealth Office officials to press for action (paragraphs 300, 302 and 330)

No 10 A19 - Argentina and the Falklands a relatively low intelligence priority (paragraph 304)

No 10 A20 - No revision of the July 1981 JIC assessment (paragraphs 308, 309 and 315)

No 10 A21 - No allocation of additional intelligence resources (paragraph 311)

MoD A22 - Defence Attache, Buenos Aires, had no remit to obtain detailed information on Argentine military movements (paragraph 312)

FCO/No 10 A23 - Insufficient weight paid to Argentine press campaign and to effects of actions by the British Government (paragraph 316)

No 10 A24 - Assessments machinery too passive and in need of review (paragraphs 318-319)

FCO A25 - Need for better liaison between Foreign and Commonwealth Office, Embassy in Buenos Aires and the Governor (paragraph 323)

MoD A26 - SSN should have been sent earlier (paragraph 332)

No 10 A27 - Prime Minister not clear enough over meeting force with force (paragraph 333)

Subject

Master

CONFIDENTIAL

2 ie AH

cc LPO
CWO
Bernard Ingham
Willie R

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

FRANKS REPORT

At a meeting of Ministers at 12.15 pm today, the Prime Minister had a further discussion about the handling of the Franks Report, at which the following points were agreed:

i) The Report would be made available to MPs in the Vote Office at 3.30 pm on Tuesday 18 January and should be put on sale and made available to the press at the same time. Could you please inform HMSO.

ii) The Report should be provided to the Leaders of the minor Opposition parties at about 2.30 pm on Tuesday 18 January with the copy of the Prime Minister's statement normally provided to them.

iii) The Prime Minister would like the Report circulated to members of the Cabinet this evening under strictly personal cover. Copies were handed at this morning's meeting to the Chancellor of the Exchequer, the Foreign and Commonwealth Secretary, the Lord President, the Chancellor of the Duchy of Lancaster and the Chief Whip, who do not therefore have to be included in this circulation. I will arrange this circulation.

iv) The Prime Minister decided to send copies under a personal letter to the Rt Hon Harold Macmillan and Lord Home, and I will make arrangements for this.

v) The arrangements for debating the Report would be discussed through the usual channels. The Lord President reported that it now looked likely that the Opposition would provide the second day out of their own time, but the arrangements would not be made firm until the Opposition had had a chance to study the Report. If there was a two day debate, it was envisaged that the Prime Minister would open on the first day and close on the second day, that the Foreign and Commonwealth Secretary would open on the second day and that a Defence Minister would close on the first day.

You may also like to know that the Leader of the Opposition's office have told me that Mr Foot does not at present think it necessary to take up the offer that he should see the unamended version of the Report. Copies of this minute go to David Heyhoe and Murdo Maclean.

17 January 1983

CONFIDENTIAL

T.E.R.B.

AH

PRIME MINISTER

cc: Mr. Butler
Mr. Rickett

FRANKS

My attention has been drawn to two errors in the "reasoned replies" to the list of observations in the Franks Report, which you already have.

On page A24 the first two sentences are contradictory. On the one hand it is stated that the assessments machinery is essentially responsive, not initiatory. On the other, the responsibility of the JIC is said to be "to assemble, evaluate and present such intelligence on events as may be required by Departments or as the Committee may deem necessary". The last seven words make it clear that the Committee does have a responsibility to initiate action.

On page A17 it is stated, in the seventh line, that neither Ministers nor officials had direct and personal experience of previous periods of tension. This is not accurate. Mr. Ure was head of the relevant FCO Department in 1977.

A.J.C.

17 January 1983

File

cc Master Ops

Subject

10 DOWNING STREET

THE PRIME MINISTER

Personal Minute
No. M 1/83

STRICTLY PERSONAL AND CONFIDENTIAL

SECRETARY OF STATE FOR THE HOME DEPARTMENT

THE FRANKS REPORT

The Report of the Committee of Privy Counsellors appointed to review the way in which the Government discharged its responsibilities in the period leading up to the Argentine invasion of the Falkland Islands is to be published at 3.30 pm tomorrow, Tuesday 18 January, when I hope to make an oral statement to the House of Commons.

I am circulating with this minute a copy of the Report for the information of members of the Cabinet. Copies of the Report are not being issued to the press in advance of my statement and I would ask members of the Cabinet to treat the Report as sent to them strictly for their personal information in the meantime.

I am copying this minute to all members of the Cabinet and the Chief Whip.

Margaret Thatcher

17 January 1983

DSG

On the copies of

Chancellor of the Exchequer

Foreign and Commonwealth Secretary

Lord President of the Council

Chancellor of the Duchy of Lancaster

Chief Whip

pl. type Report not enclosed: it has been handed directly to the Minister

~~Separ~~

PERSONAL AND CONFIDENTIAL

CONFIDENTIAL

Argentina

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB
2193
Telephone 01-218 ..... (Direct Dialling)
01-218 9000 (Switchboard)

PERMANENT UNDER-SECRETARY OF STATE
C A WHITMORE CVO

PUS 83/52
9/31/F

17 January 1983

I have caused this page to be amended in the PM's brief to include the sentence below.
FERB
17.1.83

Dear Robin,

In his minute of 14 January to you Robert Armstrong suggested that if I had any further comments on the list of observations attached to his minute, I should let you have them direct.

I should like to suggest the addition of the following sentence at the end of the second paragraph of the answers to the observations at A18:-

> "There was also the risk that the despatch of a force if it became known, would prejudice the efforts to find a diplomatic solution and provoke the very action it was designed to deter".

This point is of course made elsewhere in the commentary (eg A9), but I think that it is also needed here for the sake of completeness.

I am sending copies of this letter to Robert Armstrong, Antony Acland and Bernard Ingham.

Yours ever,

Clive Whitmore.

Robin Butler Esq

PERSONAL CONFIDENTIAL

PERSONAL AND CONFIDENTIAL

Argentina : Falkland Island Review P3

17 JAN 1983

THIRD DRAFT

17 JANUARY 1983

FALKLAND ISLANDS REVIEW COMMITTEE: STATEMENT BY THE PRIME MINISTER

With permission, Mr. Speaker, I will make a statement about the report of the Falkland Islands Review Committee.

2. The House will remember that I announced the setting up of the review committee in July 1982, after consultation with the rt. hon. Gentleman the Leader of the Opposition and leading Privy Counsellors in other parties. At that time I expressed the hope that the Committee would be able to complete its work within six months.

3. The Committee has justified that hope. I received its report on 31st December 1982, and I am presenting it to Parliament as a Command paper this afternoon. Copies are now available in the Vote Office.

4. I should like to express the Government's gratitude to the noble Lord, Lord Franks, and to his colleagues for the amount of time and effort which they have devoted to producing such a thorough and comprehensive report in so short a time.

5. The report makes it clear that the Committee was provided with all the papers relevant to its terms of reference, including a comprehensive collection of reports from the intelligence agencies. The Committee's report contains a number of references to intelligence matters which would not in other circumstances be divulged. These references are essential for a full understanding of the matters into which the Committee was asked to inquire, and the Government has agreed that the public interest requires that on this occasion

/ the

CONFIDENTIAL

the normal rule against public reference to the intelligence organisation or to material derived from intelligence reports should be waived. The Government has, however, agreed with ~~the noble Lord,~~ Lord Franks, amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. Lord Franks has authorised me to tell the House that he agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

6. The report is unanimous and is signed by all the members of the Committee without qualification. It falls into four chapters. The first gives an account of the dispute from 1965, when the issue was first brought formally to international attention by a Resolution of the General Assembly of the United Nations, to May 1979. The

CONFIDENTIAL

/ second

second covers the period from May 1979 to 19th March 1982. The third deals with the fortnight from 19th March to 2nd April 1982 which included the South Georgia incident and led up to the Argentine invasion of the Falkland Islands. The fourth and final chapter deals with the way in which the Government discharged its responsibilities in the period leading up to the invasion. There are six annexes, the first of which ~~comments on~~ deals with ten specific assertions which have been made by some who have ~~commented~~ expressed views on the matters in question.

7. In the fourth chapter of the report — i.e. where which deals with the way Govt discharged its responsibilities — the Committee notes a number of points where in its judgement different decisions might have been taken, fuller consideration of alternative courses of action might have been advantageous, and the machinery of Government could have been better used. This chapter defines and addresses itself to two crucial questions:

(1) Could the Government have foreseen the invasion of 2nd April 1982?

(2) Could the Government have prevented the invasion?

8. The Committee emphasises that its report should be read as a whole. At this stage, therefore, I will do no more than quote the Committee's conclusions on these two crucial questions.

9. On the first question, whether the Government could have foreseen the invasion of 2nd April, the Committee's conclusion is as follows:

/ "266. In the

"266. In the light of this evidence, we are satisfied that the Government did not have warning of the decision to invade. The evidence of the timing of the decision taken by the Junta shows that the Government not only did not, but could not, have had earlier warning. The invasion of the Falkland Islands on 2nd April could not have been foreseen."

I have quoted the whole of paragraph 266.

10. On the second question, whether the Government could have prevented the invasion, the Committee's conclusion contained in the final paragraph of the report is as follows:

"339. Against this background we have pointed out in this Chapter where different decisions might have been taken, where fuller consideration of alternative courses of action might, in our opinion, have been advantageous, and where the machinery of Government could have been better used. But, if the British Government had acted differently in the ways we have indicated, it is impossible to judge what the impact on the Argentine Government or the implications for the course of events might have been. There is no reasonable basis for any suggestion - which would be purely hypothetical - that the invasion would have been prevented if the Government had acted in the ways indicated in our report. Taking account of these considerations, and of all the evidence we have received, we conclude that we would not be justified in attaching any criticism or blame to the present Government

/ for the

CONFIDENTIAL

for the Argentine Junta's decision to commit its act of unprovoked aggression in the invasion of the Falkland Islands on 2nd April 1982."

I have quoted in full the final paragraph of the report.

11. Mr. Speaker, time will of course be found for an early debate, and that will be discussed through the usual channels. The Government will welcome an early opportunity of discussing [redacted] the matters concerned in the report more thoroughly than is possible this afternoon.

CONFIDENTIAL

THIRD ~~Second~~ Draft
~~14th~~ 17th January 1983

CONFIDENTIAL

Falkland Islands Review Committee

Statement by the Prime Minister

With permission, Mr. Speaker, I will make a statement about the report of the Falkland Islands Review Committee.

2. The House will remember that I announced the setting up of the review committee in July 1982, after consultation with the rt hon. Gentleman the Leader of the Opposition and leading Privy Counsellors in other parties. At that time I expressed the hope that the Committee would be able to complete its work within six months.

3. The Committee has justified that hope. I received its report on 31st December 1982, and I am presenting it to Parliament as a Command paper this afternoon. Copies ~~will be~~ are now available in the Vote Office ~~at the end of proceedings on this statement~~.

4. I should like to express the Government's ~~admiration and~~ gratitude to the ~~rt. hon and~~ noble Lord, Lord Franks, and to his ~~rt. hon~~ colleagues for the amount of time and effort which they have devoted to producing such a thorough and comprehensive report in so short a time.

5. The report makes it clear that the Committee was provided with all the papers relevant to its terms of reference,including a comprehensive collection of reports from the intelligence agencies. The Committee's report contains a ~~considerable~~ number of references to intelligence matters which would not in other circumstances be divulged. These references are essential for a full understanding of the matters into which the Committee was asked to inquire, and the Government has agreed that the public interest requires that on this ~~unique~~ occasion the normal rule against public reference~~s~~ to the intelligence organisation or to material derived from intelligence reports should be waived. The Government has, however,

CONFIDENTIAL

agreed with the ~~rt. hon and~~ noble Lord, Lord Franks, amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. Lord Franks has authorised me to tell the House that he agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

6. The report is unanimous and is signed by all the members of the Committee without qualification. It falls into four chapters. The first gives an account of the dispute from 1965, when the issue was first brought formally to international attention by a Resolution of the General Assembly of the United Nations, to May 1979. The second covers the period from May 1979 to 19th March 1982. The third deals with the fortnight from 19th March to 2nd April 1982 which included the South Georgia incident and led up to the Argentine invasion of the Falkland Islands. The fourth and final chapter deals with the way in which the Government discharged its responsibilities in the period leading up to the invasion. There are six annexes, the first of which comments on ~~a number of~~ TEN specific assertions WHICH HAVE BEEN SOME made by ~~people~~ who have ~~spoken or written~~ COMMENTED on the matters in question.

7. In the fourth chapter of the report the Committee notes a number of points where in its judgment different decisions might have been taken, fuller consideration of alternative courses of action might have been advantageous, and the machinery of Government could have been better used This chapter defines and addresses itself to two crucial questions:

(1) Could the Government have foreseen the invasion of 2nd April 1982?

(2) Could the Government have prevented the invasion?

8. The Committee emphasises that its report should be read as a whole. At this stage, therefore, I will do no more than quote the ~~words in which the~~ Committee's ~~sums up its~~ conclusions on these two crucial questions.

9. On the first question, whether the Government could have foreseen the invasion of 2nd April, the Committee's conclusion is as follows:

"266. In the light of this evidence, we are satisfied that the Government did not have warning of the decision to invade. The evidence of the timing of the decision taken by the Junta shows that the Government not only did not, but could not, have had earlier warning. The invasion of the Falkland Islands on 2nd April could not have been foreseen."

I have quoted the whole of paragraph 266.

10. On the second question, whether the Government could have prevented the invasion, the Committee's conclusion contained in the final paragraph of the report is as follows:

"339. Against this background we have pointed out in this Chapter where different decisions might have been taken, where fuller consideration of alternative courses of action might, in our opinion, have been advantageous, and where the machinery of Government could have been better used. But, if the British Government had acted differently in the ways we have

indicated, it is impossible to judge what the impact on the Argentine Government or the implications for the course of events might have been. There is no reasonable basis for any suggestion - which would be purely hypothetical - that the invasion would have been prevented if the Government had acted in the ways indicated in our report. Taking account of these considerations, and of all the evidence we have received, we conclude that we would not be justified in attaching any criticism or blame to the present Government for the Argentine Junta's decision to commit its act of unprovoked aggression in the invasion of the Falkland Islands on 2nd April 1982."

I have quoted in ~~toto~~ full the final paragraph of the report.

11. Mr. Speaker, ~~rt. hon and hon Members of the House will wish to read the report in full before it is debated~~. Time will of course be found for an early debate, and that ~~matter~~ will be discussed through the usual channels. That debate will provide us with an opportunity to deal more fully than is possible in this statement with the issues covered by the Committee's report.

M. J Coles
8
A.J.C. 17/1

FRANKS - PUBLICATION ARRANGEMENTS

The Franks Report will be published at 3.30pm on Tuesday, January 18, 1983. At the same time the Prime Minister will make a statement to the House. Franks and his Commission are not holding a press conference or giving interviews.

Mechanics

As of now, there will be no CFRs. Copies of the document will be available in the Vote Office and Lobby at 3.30pm.

The Lobby is exercised about the lack of CFRs from two points of view:

- their own convenience;
- the problem of getting extensive coverage into first editions.

The decision to publish without CFRs has nothing to do with the unresolved problem over the wholesale breach of the Falklands honours and awards embargo. But the lack of CFRs will no doubt be a sharp reminder of the value of the system to the media.

The Government's decision to publish without advance copies is not without precedent. It considers the report should be presented first to Parliament.

I have not yet ruled out the possibility of using the "locked room technique" whereby recipients of CFRs are confined to a locked room until publication time. But I think it unlikely I shall recommend the Prime Minister to allow it.

Question 1 - Does the meeting think we should employ the technique?

Because of the shortage of time, the Lobby is unenthusiastic about a Lobby on Tuesday afternoon. Largely for that reason it has ruled out a joint briefing for Lobby, Defence and Diplomatic Correspondents but it may ask me for a quick check Lobby.

I would be grateful if Mr Taylor and Mr Goulden would hold themselves in readiness on Tuesday and Wednesday to give briefings if it is felt that there should be one or more.

Question 2 - Does the meeting think we should offer a briefing for Lobby Defence and Diplomatic Correspondents on Tuesday after the Prime Minister has sat down regardless of the Lobby's view. If so, where? And when?

Question 3 - Does the meeting agree we should consider early on Wednesday whether to offer a joint briefing that day, or to operate separately with our own clientele, bearing in mind the objective of the exercise is to close ranks and to keep them closed?

Because the media will be very short of time on Tuesday, I have been considering how I might legitimately help them. The line I propose to take at the 11.00am Lobby on Tuesday is at Annex I.

Question 4 - Any comments on Annex I?

Again because the media will be very short of time, they will try to secure the maximum number of copies for their organisations. We need to be clear who is to get copies from Departments and how liaison and control may be established.

Question 5 - Agree Miss Christopherson should formulate a system with Chief Press Officers on our behalf?

Radio/TV

After publication there will be considerable pressure on the Government for Ministers of the relevant Departments to appear. No doubt Lord Carrington, John Nott, Humphrey Atkins and Richard Luce will be responding to requests. The Prime Minister takes the view that Ministers should not take up interviews on Tuesday; her statement should be allowed to stand on its own. Departments/offices involved have been so informed.

Question 6 - Agree we consult informally on Wednesday in the light of the report's reception on whether Ministers should take up invitations?

Substance

The report is better for the Government than might have been expected. The risk is that it will be called a 'whitewash'. This risk is increased by the need which some journalists are likely to feel to justify themselves; and by the political opposition feeling that they have been robbed.

On the other hand, since the Government has been acquitted on the major charges, we shall need to be ready to meet attacks on points of detail; and attempts to drive wedges between Departments, notably between No 10 and FCO.

Sir Robert Armstrong has sent briefing to the Permanent Secretaries in the FCO and MoD and no doubt Mr Goulden has had access to this.

In the meantime I identify below some of the more important secondary issues of presentation we need to watch:

- Government policy never formally discussed otuside FCO after January 1981;
- FCO officials did not attach sufficient weight to changing Argentine attitudes;
- lack of a prompt reply to Prime Minister's call for contingency plans;
- observations on JIC procedures.

Question 7 - Any other major secondary points we should have in mind? Content briefing covers these points?

Other Issues

Subject to the Prime Minister's statement, we need answers to, or lines on, the following points:

- how will the report be followed up?
- who will speak in the debate and when will it be held?
- any outstanding Falklands issues - eg. new airfield?
- how soon did members of Cabinet and others - eg. principals involved in drama - get copies of Report before publication?

- how much has been excised from the report for security reasons and does Lord Franks accept excises?

- did the Commission see any others in addition to those listed in the Annex - ie. can all the witnesses be identified?

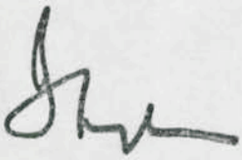
- why no CFRs?

- why no Ministers offering themselves for interview?

- why no press conference by Franks or offers by them of interviews?

- titles, publication dates of all relevant documents starting from original Shackleton Report?

Question 8 - Any other points to be followed up?



B. INGHAM
17 January 1983

Line to be taken with Media at No 10's 11.00am Lobby, January 18, 1983.

The Franks Report, as you know, will be published at 3.30pm when the Prime Minister will make a statement to the House. There will be no press conferences by Franks or the Government, and no comment from the Government other than from the Prime Minister in the House.

I, and my colleagues at the FCO and MoD, will hold outselves in readiness to give you a briefing if you require one later this afternoon or early evening.

My advice is that you will be so busy that you feel it would be better not to have a Lobby this afternoon.

I fully recognise that you will have to work fast this afternoon. But the Government has decided that the report should be presented immediately and straightforwardly to Parliament without any preliminaries.

I will however try to help you, as I did on the Defence lessons of the Falklands White Paper.

The report runs to 339 paragraphs, and has a number of Annexes. It is 105 pages long and it will sell for £6.10 at HMSO. So it is a substantial document.

But you may find it easier to handle than you may now fear.

First let me remind you of the background. Prime Minister announced setting up of the Committee under Lord Franks on July 6, 1982.

It was charged with reviewing the way Government responsibilities in relation to the Falkland Islands and Dependencies were discharged in the period leading up to Argentine invasion "taking account of all such factors in previous years as are relevant".

The Commission met first time July 29. It held 42 meetings. Submitted its report to the Prime Minister on New Year's Eve, within the six month target it informally set for itself.

Paragraph 5 sets out the documents the Committee was provided with, including secret intelligence reports and assessments and Departmental files.

Those who gave evidence are at Annex E.

The main body of the report falls into 4 sections:

1. Paras 15-70 - history of dispute between UK and Argentina.

2. Paras 71-160 - sequence of events and development of police since Mrs Thatcher's Government took office.

3. Paras 161-259 - Detailed account of events from Davidoff's landing on March 19 to invasion on April 2.

4. Paras 260-339 - Observations, comments, judgements.

Now if I were dealing with the report for inside pages I would:

- divide the report between 4 reporters and tell those handling the first 3 to summarise tightly;

- tell the fourth handling Chapter 4 - the observations/conclusions chapter - to spread himself because this is the key chapter; because it is the analysis of the events set out in the 3 previous chapters and it is what you have been waiting for. But I would also urge that this fourth reporter should also take in Annex A. This should be of intense interest to the media because it sets out in the form of assertion and answer the facts on the more important allegations that have been made by the media in the course of the Falklands affair.

Now for those of you who, working for evenings, agencies and radio and tv - the absolutely immediate media - and those writing for outside pages, my advice would be to concentrate on Chapter 4 and Annex A which together with the Prime Minister's statement should see you through amply. There is of course no substitute for reading the lot but Chapter 4 is crucial.

Paragraph 260 sets out the two crucial questions which Franks addressed Paragraph 266 and 339 give the answers to those 2 questions.

That is as it were your "flash" material.

The rest of the Chapter sets out the Commission's analysis and observations on a large number of other questions - for example, developments of policy; negotiating options; Endurance; contingency planning; handling of issues; intelligence; Davidoff's link with invasion; deployment of Task Force, and so on.

Now for those who want to do "flash" observations from Chapter 4. My suggestion is to work through paragraphs which you will find are grouped and develop arguments leading up to an observation/comment.

[I would then propose to suggest paragraph numbers for major points without identifying subjects].

That I hope is helpful.

Any questions?

10 DOWNING STREET

THE PRIME MINISTER

You will remember that I wrote to you on 5 July about the establishment of the Committee of Privy Counsellors to review the way in which the responsibilities of Government were discharged in the period leading up to the Argentine invasion of the Falkland Islands on 2 April 1982. I asked you to agree that the Committee should have access to any relevant documents of the administration for which you were responsible, subject to the conventions listed in my letter.

I am now enclosing an advance copy of the report which is to be published at 3.30 p.m. tomorrow, Tuesday 18 January when I hope to make a statement in the House of Commons. You will see from paragraph 16 that the Committee decided to treat 1965 as the starting point of their review since it was then that the dispute was first formally brought to international attention in the United Nations. The Committee did not therefore need to examine the papers of the administration in which you were Prime Minister. I am sure, however, that you will wish to see a copy of the Report: it will not be released to the press in advance of my statement to the House, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis in the meantime.

The Rt. Hon. Harold Macmillan, OM, FRS

DA/SW.

file

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Richard,

I enclose herewith a copy of the report of the Falkland Islands Review Committee.

The report will not be released to the press in advance of time of my statement tomorrow, and I would therefore ask you to treat it as sent to you on a personal and confidential basis.

I shall say in my statement that amendments to certain of the references to intelligence reports designed to minimise potential damage to British intelligence interests have been agreed with Lord Franks. Lord Franks agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters

/referred

6

referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

I should be perfectly happy for you to see a copy of the report as submitted, so that you could satisfy yourself about the amendments, if you wished to do so. For obvious reasons the unamended copies of the report are being kept under strict control, but the Secretary of the Cabinet has a copy of the report as submitted, with the amendments marked in it, and he would be very happy to make the necessary arrangements for you to inspect it.

Yours sincerely

Margaret Thatcher

The Rt. Hon. Michael Foot, M.P.

Bor.

file

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

sgd MT

The Rt. Hon. James Callaghan, M.P.

DA.

file

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Peter,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

I am also enclosing, for your personal information, some notes prepared on the observations of the Franks Committee on the Government's handling of the dispute.

I will telephone you to discuss how we handle various matters.

Yours ever

Margaret

The Rt. Hon. The Lord Carrington, K.C.M.G., M.C.

86

MJ

file

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear John.

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

I am also enclosing, for your personal information, some notes prepared on the observations of the Franks Committee on the Government's handling of the dispute.

Yours

Margaret

The Right Honourable Sir John Nott, K.C.B., M.P.

6

File

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Ted,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

Yours

Margaret

The Right Honourable Edward Heath, M.B.E., M.P.

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Humphrey,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

Yours ever

Margaret

The Right Honourable Humphrey Atkins, M.P.

DA

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Nick,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

Yours ever

Margaret

The Hon. Nicholas Ridley, M.P.

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DA

File

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Sir Harold,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

Yours sincerely

Margaret Thatcher

The Rt. Hon. Sir Harold Wilson, K.G., O.B.E., M.P.

file

10 DOWNING STREET

THE PRIME MINISTER

17 January 1983

PERSONAL AND CONFIDENTIAL

Dear Richard,

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday, 18 January, when I hope to make a statement in the House of Commons. The report will not be released to the press in advance of my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis.

Yours

Margaret

Richard Luce, Esq., M.P.

You will see that the report refers very nicely to your handling of the New York negotiations.

A.J.C. 2/4
L.a.

FROM OUR OWN CORRESPONDENT, RADIO 4, SATURDAY 15 JANUARY

On Tuesday, the Franks Report on events leading up to the Falklands crisis is expected to be published. In view of the speculation that's been rife about blame that's to be apportioned to the Foreign and Commonwealth Office and talk of Mrs Thatcher's being at odds with the Foreign Secretary, Mr Pym, we asked our Diplomatic Correspondent, John Osman, who runs Britain's foreign policy.

A man who was not so long ago was himself this country's Foreign Secretary asserted a few days ago that the Foreign Office, as an institution, had many great virtues but also one supreme vice. Collectively he alleged the FO lacked backbone. The opinion I am quoting is that of Dr David Owen, who went on to call for Mrs Thatcher and Mr Pym to put their act together. Now, Dr Owen's view is spooned out of the British political stewpot and so perhaps does not have the weight that might be attached to a genuinely dispassionate judgement. But nevertheless the question which remains is valid. Have Mrs Thatcher and Mr Pym got their act together? I am the last man to try and assess that, having returned to this country only a couple of weeks ago after many years abroad, but what I can report reasonably confidently is that British diplomats, both here and overseas, reject the charge of British foreign policy being out of joint. They do however accept that there are two predominate voices on the international microphone. Those of Mrs Thatcher and Mr Pym. But, they stress, there are not two policies. The diplomats say it's all a matter of tactics and presentation. Whether it's on how to handle strategic disarmament, how to handle the Israelis and the Arabs, how to get a fair deal for Britain from Europe or indeed how best to secure the interests of the Falkland Islanders. The presentation is indeed a point which Mrs Thatcher herself made at the height of the Falklands crisis last year when she dismissed reports of Cabinet dissension and stressed that Mr Pym, among others, had done absolutely

marvellously. She then added 'Of course in formulating policy we argue. What else would you expect?' That seems to remain the position. Mrs Thatcher and Mr Pym still consult regularly. He saw her on Thursday on her return from the Falklands and normal working relationships go on. What's more, though the Foreign Office is bracing itself for possible, if not probable, criticism from Franks the state of morale does not appear to be anywhere near as low as some quarters have reported it to be. Indeed more sophisticated staff at the FO tend even to manage a wry smile as they recall the words only last summer of the United States Ambassador to the United Nations, Mrs Kirkpatrick, who complained that British diplomacy had run rings round everyone else. One of those to perform this feat of course was Sir Anthony Parsons who recently retired from the Diplomatic Service to become Mrs Thatcher's Foreign Affairs Adviser. This, by itself, has been cited as evidence of a split between the Prime Minister's office and the Foreign Office. There's been a lot of gossip as to what Sir Anthony's precise role will be. Mrs Thatcher's hatchet man, or a healer and bridge builder? Reports have been published suggesting that he will tend towards healing and I would concur with that view. He's a man whom I would class as archetypally FO - informed, amusing, charming and tough, distinctly not lacking backbone. At the FO, I found no real evidence of resentment at the Parsons appointment from the professionals, rather perhaps the other way around. An example for young diplomats to aspire to in future years, perhaps a top job with some future Prime Minister. If what I've said so far tends perhaps to give an impression of complacency at the Foreign Office about Franks, and what his Report might contain, then this would be wrong. The Office was shocked by the resignation of Lord Carrington and two other Ministers and there's been a lot of critical self-examination. If the Franks Reports strongly condemns the FO it will inevitably affect staff morale but this need not be a bad thing if the existing system or structure is improved. The FO has cooperated to the full with the enquiry team and there will be action on whatever criticisms emerge. There's something of a sense of siege about the place and an awareness that for various reasons some people actually demand a scapegoat, even though the previous boss himself, Lord Carrington,

has already been sacrificed. Tuesday will undoubtedly be an important day in the life of one of the greatest British Departments of State.

CABINET OFFICE

With the compliments of

Sir Robert Armstrong KCB, CVO

Secretary of the Cabinet

F.E.R. Butler, Esq

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319

Mr. Coles A.J.C. 17.
Mr. Rickett

CONFIDENTIAL

CABINET OFFICE

70 Whitehall. London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB CVO

Ref: A083/0134 14th January 1983

The Prime Minister has approved the outline of her speech opening the debate on the Franks Report, as attached to my letter of 10th January to you and my minute of 12th January to Mr Scholar, as a basis for the preparation of material.

I am sorry to set tight deadlines but I should be grateful if the material could be with my office by close of play on Tuesday, 18th January.

I attach a copy of a revised version of the draft statement to be made on the publication of the Report.

I am sending copies of this letter to Clive Whitmore, Tony Duff, 'C', Brian Tovey, Robin Butler and Tony Rawsthorne.

ROBERT ARMSTRONG

Sir Antony Acland, KCMG,KCVO

CONFIDENTIAL

Second Draft
14th January 1983

CONFIDENTIAL

Falkland Islands Review Committee

Statement by the Prime Minister

With permission, Mr. Speaker, I will make a statement about the report of the Falkland Islands Review Committee.

2. The House will remember that I announced the setting up of the review committee in July 1982, after consultation with the rt hon. Gentleman the Leader of the Opposition and leading Privy Counsellors in other parties. At that time I expressed the hope that the Committee would be able to complete its work within six months.

3. The Committee has justified that hope. I received its report on 31st December 1982, and I am presenting it to Parliament as a Command paper this afternoon. Copies [will be] are available in the Vote Office [at the end of proceedings on this statement].

4. I should like to express the Government's admiration and gratitude to the rt. hon and noble Lord, Lord Franks, and to his rt. hon colleagues for the amount of time and effort which they have devoted to producing such a thorough and comprehensive report in so short a time.

5. The report makes it clear that the Committee was provided with all the papers relevant to its terms of reference,including a comprehensive collection of reports from the intelligence agencies. The Committee's report contains a considerable number of references to intelligence matters which would not in other circumstances be divulged. These references are essential for a full understanding of the matters into which the Committee was asked to inquire, and the Government has agreed that the public interest requires that on this unique occasion the normal rule against public references to the intelligence organisation or to material derived from intelligence reports should be waived. The Government has, however,

CONFIDENTIAL

agreed with the rt. hon and noble Lord, Lord Franks, amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. Lord Franks has authorised me to tell the House that he agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

6. The report is unanimous and is signed by all the members of the Committee without qualification. It falls into four chapters. The first gives an account of the dispute from 1965, when the issue was first brought formally to international attention by a Resolution of the General Assembly of the United Nations, to May 1979. The second covers the period from May 1979 to 19th March 1982. The third deals with the fortnight from 19th March to 2nd April 1982 which included the South Georgia incident and led up to the Argentine invasion of the Falkland Islands. The fourth and final chapter deals with the way in which the Government discharged its responsibilities in the period leading up to the invasion. There are six annexes, the first of which comments on a number of specific assertions made by people who have spoken or written on the matters in question.

7. In the fourth chapter of the report the Committee notes a number of points where in its judgment different decisions might have been taken, fuller consideration of alternative courses of action might have been advantageous, and the machinery of Government could have been better used. This chapter defines and addresses itself to two crucial questions:

(1) Could the Government have foreseen the invasion of 2nd April 1982?

(2) Could the Government have prevented the invasion?

8. The Committee emphasises that its report should be read as a whole. At this stage, therefore, I will do no more than quote the words in which the Committee sums up its conclusions on these two crucial questions.

9. On the first question, whether the Government could have foreseen the invasion of 2nd April, the Committee's conclusion is as follows:

> "266. In the light of this evidence, we are satisfied that the Government did not have warning of the decision to invade. The evidence of the timing of the decision taken by the Junta shows that the Government not only did not, but could not, have had earlier warning. The invasion of the Falkland Islands on 2nd April could not have been foreseen."

I have quoted the whole of paragraph 266.

10. On the second question, whether the Government could have prevented the invasion, the Committee's conclusion is as follows:

> "339. Against this background we have pointed out in this Chapter where different decisions might have been taken, where fuller consideration of alternative courses of action might, in our opinion, have been advantageous, and where the machinery of Government could have been better used. But, if the British Government had acted differently in the ways we have

indicated, it is impossible to judge what the impact on the Argentine Government or the implications for the course of events might have been. There is no reasonable basis for any suggestion - which would be purely hypothetical - that the invasion would have been prevented if the Government had acted in the ways indicated in our report. Taking account of these considerations, and of all the evidence we have received, we conclude that we would not be justified in attaching any criticism or blame to the present Government for the Argentine Junta's decision to commit its act of unprovoked aggression in the invasion of the Falkland Islands on 2nd April 1982."

I have quoted in toto the final paragraph of the report.

11. Mr. Speaker, rt. hon and hon Members of the House will wish to read the report in full before it is debated. Time will of course be found for an early debate, and that matter will be discussed through the usual channels. That debate will provide us with an opportunity to deal more fully than is possible in this statement with the issues covered by the Committee's report.

4 JAN 1993

Ref: A083/0129

MR. RICKETT

Franks Report: Possible Supplementaries

I attach a list of possible supplementaries and answers for use in conjunction with the statement on the Franks Report. No doubt you will be receiving contributions from the Foreign and Commonwealth Office and the Ministry of Defence on subjects which are their direct concern.

R.P. Hatfield

14th January 1983

Possible Supplementaries following Statement on Franks's Report

Q.1 Detailed Questions on the content of the Report

A. It would be better not to comment on the detail of the Report until the House has had time to study it in detail. There will be plenty of opportunity to do so in the debate which I hope will be arranged very soon.

Q.2 Questions on the conduct of the Falklands campaign.

A. The Franks Committee was set up to inquire into the events leading up to the Argentine invasion of the Falkland Islands on 2 April 1982 and not into the conduct of the campaign itself.

Q.3 Did the Committee interview members of the intelligence community?

A. Yes, as Annex D to the Report makes clear.

Q.4 Questions on the effectiveness of our intelligence gathering.

A. The House will form their own conclusions on this on the basis of what is said in the Report and it would be wrong for me to go beyond that at present.

Q.5 Detailed Questions about intelligence methods.

A. As I have made clear, the Report says considerably more on the subject of intelligence than would normally appear in a public document. My statement made it clear that the Government regard this as fully justified and indeed essential in the unique context of this inquiry. It would be wrong for me to give any details about our intelligence operations themselves as this could damage continuing intelligence interests, and I should like to ask the House to refrain from speculating on such details for similar reasons.

Q.6 Can you say more about the deletions from the Report?

A. I have nothing to add to what I said in the statement. The amendments were agreed by Lord Franks and none of them alters the sense, substance or emphasis of the Committee's account.

1

PRIME MINISTER

c. Mr. Coles
Sir A. Parsons

FRANKS

I attach:-

- a redraft of the statement, with some notes for supplementaries - FLAG A;

- a list of observations in the Franks Report on the Government's handling of the dispute, with a reasoned reply to each - FLAG B;

- a note of points in Chapter 4 of the Franks Report affecting Labour Governments as well as Conservative Governments - FLAG C:

- a historical note prepared by the Foreign and Commonwealth Office on other Committees of Enquiry - FLAG D;

Plus your working copy of the Franks Report in which the amendments agreed with Lord Franks have been incorporated.

I am submitting in a signature folder the letters to those who are receiving advance copies of the report.

F.E.R.B.

14 January 1983

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OBSERVATIONS OF THE FRANKS REPORT ON THE GOVERNMENT'S HANDLING OF THE DISPUTE WITH ARGENTINA OVER THE FALKLAND ISLANDS AND A REASONED COMMENTARY ON EACH

(Note: all paragraph references are to the Franks Report)

A1 - Mr Ure's report, recommending fuller contingency plans, in June 1981 (paragraph 90)

A2 - Failure to heed the warning of HM Ambassador, Buenos Aires, in June 1981 (paragraph 91)

A3 - British policy after October 1981 as 'Micawberism' (paragraph 104)

A4 - No detailed contingency plans by the Ministry of Defence (paragraph 113)

A5 - Demise of leaseback leading inevitably to confrontation (paragraph 124)

A6 - No immediate response to Prime Minister's request of 3 March 1982 for contingency planning (paragraphs 152 and 303)

A7 - Delay in circulating paper on civil contingency planning (paragraph 155)

A8 - Treasury refusal to meet costs of civil contingency planning from the Contingency Reserve (paragraph 188)

A9 - No recommendation to send surface ships on 30 March (paragraphs 224-225)

A10 - Argentina's belief that the United States would not actively oppose forceful action (paragraph 276)

A11 - Effect of successive Defence Reviews (paragraphs 278-279)

A12 - Policies casting doubt on British commitment to the Islands (continued arms sales to Argentina, 1976 Shackleton survey and British Nationality Act (1981)) (paragraph 280)

A13 - HMS Endurance (paragraph 288)

A14 - Lord Carrington allowed the initiative to pass to Argentina (paragraph 290)

A15 - No OD paper circulated in March 1982 (paragraphs 291-292)

A16 - No Cabinet or OD discussion between January 1981 and 25 March 1982 (paragraphs 291-292)

A17 - Misjudgement of Argentine intentions by the Foreign and Commonwealth Office (paragraph 296)

A18 - Failure of Foreign and Commonwealth Office officials to press for action (paragraphs 300, 302 and 330)

A19 - Argentina and the Falklands a relatively low intelligence priority (paragraph 304)

A20 - No revision of the July 1981 JIC assessment (paragraphs 308, 309 and 315)

A21 - No allocation of additional intelligence resources (paragraph 311)

A22 - Defence Attache, Buenos Aires, had no remit to obtain detailed information on Argentine military movements (paragraph 312)

A23 - Insufficient weight paid to Argentine press campaign and to effects of actions by the British Government (paragraph 316)

A24 - Assessments machinery too passive and in need of review (paragraphs 318-319)

A25 - Need for better liaison between Foreign and Commonwealth Office, Embassy in Buenos Aires and the Governor (paragraph 323)

A26 - SSN should have been sent earlier (paragraph 332)

A27 - Prime Minister not clear enough over meeting force with force (paragraph 333)

Mr Ure recommended that in the event of the rejection of his recommendation for a public education campaign, consideration should be given to preparing fuller contingency plans for the defence and development of the Islands (paragraph 90).

Civil and military contingency planning was already in hand when Mr Ure made his report in June 1981. These plans were developed as annexes to the proposed paper for the Defence Committee by September 1981: and civil contingency plans were expanded thereafter. The Islands' future development would have depended crucially on their communications with the outside world. It was inherent in the Government's consideration of the situation that if the Argentines were to withdraw services and to isolate the Islands from the mainland, the Islands' economic position would become very difficult.

In June 1981 HM Ambassador in Buenos Aires warned the Foreign and Commonwealth Office that the Argentine attitude could be more threatening by the end of 1981 (paragraph 91). What was done about this warning?

There was a full appreciation of the risks arising from the increasing Argentine impatience. The Report describes the action that was being taken. The review meeting itself chaired by Mr Ridley on 30 June 1981 was held in recognition of the difficulties ahead and the conclusions of that meeting (paragraph 96 of the Report) underlined the problems that would follow a breakdown of negotiations. Civil contingency plans and an analysis of military responses had been in preparation since early 1981 and were at an advanced stage by September 1981. A revised threat assessment had been commissioned and was issued by the JIC in July 19 There was a clear understanding that, if negotiations were to break down, Argentine retaliatory action could be expected. In fact, of course, by the end of 1981 the perspective had shifted. There had been a change in the Argentine Government and there was a proposal of continued negotiations. On the evidence the expectation was that the second half of 1982 would be the crucial period.

HM Ambassador in Buenos Aires described the Government's policy as Micawberism (paragraph 104). Was this not a true indictment of the Government's position?

It was the policy of this Government, as of previous Governments, to seek a negotiated solution to the dispute on a basis acceptable to the Falkland Islanders and to this House. The essential element was that the wishes of the Islanders should be taken fully into account, despite the negotiating constraints which this inevitably imposed. The principle that the Islanders should never be coerced into accepting a status which was contrary to their wishes was for this Government a crucial point, and rightly so. Any attempt to push through solutions over their heads would have been wrong in principle and would have failed in practice. A leaseback concept, which appeared to offer the best prospect of a settlement safeguarding the Islanders' vital interests had not proved acceptable to the Islanders or to this House. Our attempts to persuade the Argentines to freeze the dispute, in accordance with the Islanders' wishes, had been unsuccessful. In this situation, the right course was to keep the negotiations going in order both to avoid the very difficult consequences of their breakdown and to keep open the prospect of an evolution of both Argentine and Islander opinion which might allow progress to be made. The mere fact of negotiations has often led to the identification of ways forward not previously considered. This was not Micawberism but the only practical policy given the constraints.

Why no detailed contingency plans in Ministry of Defence (paragraph 113)?

The Report makes clear that throughout the period 1965-1982 there existed a wide range of possible Argentine threats to British interests in the South Atlantic. These included threats to shipping, occupation of one or more of the uninhabited dependencies and "unofficial" acts of aggression against the Falkland Islands. Full scale invasion of the Falkland Islands was considered to be another, though much less likely, possibility. Contingency planning involves the preparation of a detailed plan, usually one requiring air reinforcement to meet a specific threat. The preparationof detailed contingency plans to cover the wide range of possible Argentine actions would not have been a sensible undertaking. But the Chiefs of Staff periodically submitted to Ministers their assessment of the military options available to the United Kingdom in the event of a range of possible Argentine threats. The Franks Committee has itself remarked on the speed with which the Task Force assembled and sailed, once the extent of the task had become clear.

In February the Head of South American Department, in a submission to FCO Ministers, commented that the demise of leaseback left 'no alternative way to prevent the dispute moving sooner or later to more open confronation' (paragraph 124).

What conclusions were drawn from this for HMG's policy towards the dispute?

This comment reflected the FCO view on the increasing intractability of the dispute and on the difficulties of avoiding a breakdown of negotiations. The word 'confrontation' was intended to cover the full range of possible Argentine reactions to an ending of the dialogue. It did not imply an expectation that the Argentines would necessarily use force. It was the Government's view that the situation would need to be fully reviewed once the situation had crystallised following the New York talks. As the Report states (paragraph 264) no-one consulted by Lord Franks's Committee had expected there to be an Argentine invasion at the beginning of April.

There was no immediate response to the Prime Minister's request for contingency planning (paragraphs 152 and 303).

The Prime Minister's request, as conveyed to those concerned on 8 March, was that Lord Carrington's proposed memorandum for OD should contain an account of contingency planning. This was already what was envisaged and civil and military contingency papers had already been prepared for inclusion as annexes to an OD memorandum. Both papers were later circulated to members of the Defence Committee. The civil contingency paper on 24 March: the military paper on 26 March.

Military contingency planning existed in the shape of a Chiefs of Staff paper, approved in September 1981, which described the military options available to the United Kingdom against a range of possible Argentine threats to British interests in the South Atlantic. This paper was under review by the Secretary of State for Defence and the Chiefs of Staff at the time of the Prime Minister's request in March 1982 and was approved by them with little or no change to its conclusions. When it became clear that a major Task Force would be required, detailed plans were produced with remarkable speed.

Background

The Prime Minister minuted on Buenos Aires Telegram No 60 of 3 March "we must make contingency plans". This was communicated to the FCO, and copied to the MOD and Cabinet Office, in a minute dated 8 March. This minute also suggested that the account of our contingency planning might be contained in the forthcoming OD paper on the Falkland Islands.

Work in the MOD proceeded on that basis. Separately, the Prime Minister asked the Secretary of State for Defence on 8 March how quickly RN ships could be deployed to the Falkland Islands. The answer to this question was contained in a letter from the MOD to No 10 dated 12 March.

Why was the paper on civil contingency planning, which was submitted on 19 March, not circulated until 24 March (paragraph 155)?

The paper on civil contingency planning, together with a further approach to the Defence Secretary about HMS Endurance, were submitted for Lord Carrington's consideration on Friday 19 March. The landing on South Georgia took place before they could be approved. The drafts were amended to take account of the new situation and re-submitted on Monday 22 March, approved on 23 March and issued on 24 March.

On 29 March 1982 (ie three days before the Argentine invasion) the Treasury refused to agree to meet the cost of civil contingency planning from the Contingency Reserve (paragraph 188).

The relevant correspondence took place in the week leading up to the conflict and could not have affected the course of events. In responding to the Foreign Secretary's suggestion for additional expenditure, the Chief Secretary said that he had no objection to contingency planning for a sea service. But he pointed out that he would expect there to be sufficient flexibility within the Foreign Office's agreed budget for 1982-83 to absorb the relatively small costs involved; so resort to the Contingency Reserve would not be necessary.

Meeting of the Defence Operations Executive of the Ministry of Defence - Why no recommendation to send surface ships on 30 March (paragraph 224-225)?

As the Report makes clear, every effort was being made to resolve the crisis by diplomacy. No clear evidence pointing to an invasion was available on 30 March. A decision at this point to deploy surface ships, whose movements could not have been kept secret, carried the serious risk of prejudicing the prospects of finding a diplomatic solution and, at worst, of provoking the very action it was designed to deter. As a contingency measure, however, the Commander-in-Chief Fleet on the 29 March ordered Flag Officer First Flotilla to prepare to detach ships to the South Atlantic if required.

The Report suggests that the Argentines may have come to believe that the Americans would not actively oppose forceful action: and that the initial American response to our request for their help was too even-handed. (Paragraph 276).

These are matters for the United States Government to comment on. We remain deeply grateful to President Reagan's Administration both for Mr Haig's efforts and for the splendid support and assistance given to Britain during the crisis.

Effect of successive defence reviews on the United Kingdom's posture in the South Atlantic (paragraphs 278-279).

Successive Governments have conducted defence reviews which have had the effect of concentrating British defence forces in Europe in support of NATO, notably the decisions in the mid-1960s to withdraw from the Far East and to phase out large Fleet Carriers and to terminate the Simonstown Agreement in 1974. There is no doubt that these reviews - especially those earlier ones - were seen to reduce the United Kingdom's ability to conduct operations outside the NATO area. At no time, however, since the resuscitation of Argentine claims to the sovereignty of the Falkland Islands, has a United Kingdom Government maintained sufficient forces in the vicinity of the Falkland Islands to repulse a full-scale Argentine invasion. In this respect the successive defence reviews had no real impact on the United Kingdom's ability to defend the Islands.

There were other British Government policies which may have served to cast doubt on British commitment to the Islands and their defence, including continued arms sales to Argentina, the decision not to implement the recommendations of the 1976 Shabkleton Report and the failure of the British Nationality Act (1981) to extend British citizenship to those inhabitants of the Islands who were either not themselves patrial or did not have a UK born grandparent (paragraph 280).

The effect of these three different matters on the Argentine Junta must, at the end of the day, be a matter of judgement.

It has been the practice of successive Governments to consider each potential arms sale on its merits, taking a wide range of economic, political and military factors into account before reaching decisions on individual cases. In the case of arms sales to Argentina successive Governments have tried to strike a balance between the economic benefits to be expected from defence sales, the need to maintain good relations with Argentina, concern over human rights and the possibility of a direct military threat to the Falkland Islands. In practice the policy on arms sales to Argentina has become more restrictive over the years, and the majority of arms sales to Argentina were agreed prior to the election of the ~~Conservative~~ present Government in 1979, and in recent years a number of proposals have been turned down.

Similarly, it was the last Labour Government which initially decided not to accept the more costly recommendations of the first Shackleton survey notably enlargement of the airport and lengthening of the runway (see paragraph 58 of the Report).

Finally, the present Government made it clear during the passage of the British Nationality Bill (1981) that it did not represent any loosening of the United Kingdom's relationship with the Islands and that the Government were committed to protecting the interests of the Islanders.

HMS Endurance (paragraph 288).

Much has been said in the Report and elsewhere about the decision to withdraw HMS Endurance. It was not an easy decision. Nor was it one taken lightly. Nor was it the only difficult decision that had to be taken at a time when there was a real necessity to get our defence programme and resources into line. And there were many elements of the decision which made up the reshaping of our defence programme which attracted more stringent criticism at the time. The closure of Chatham and Gibraltar Dockyards and the size of the surface fleet are examples. So it is important to see the issue of HMS Endurance in perspective.

It is also important to remember the facts. HMS Endurance has a limited defence capability, a point well known to the Argentines, who were not inhibited from launching their invasion by her presence in the South Atlantic at the time, any more than her presence in the area deterred the Argentines from attacking RRS Shackleton in 1976.

As to the effect on the Argentine Junta, this must at the end of the day be a matter of judgement. But it would be wrong and irresponsible to suggest that the Government had any intention of giving a signal that the Falklands were free for the taking, or that it neglected the need to make it clear - as we did - that the garrison in the Falklands would remain and that HM Ships would from time to time visit the Islands.

In September 1981 Lord Carrington decided against recommending to his colleagues a policy of active education in favour of leaseback. Instead he invited the Argentine Foreign Minister to make proposals for continuing negotiations (paragraph 289). This put the Government in a position of weakness and passed the initiative to the Argentine Government (paragraph 290).

The implication in the Report that the more forceful Argentine attitude in late 1981 and early 1982 was in some way a consequence of inviting the Argentines to put forward proposals of their own is not argued. Lord Carrington's reasons for his decision are set out in the Report (paragraphs 99 and 289). Leaseback continued to be seen as the most promising basis for an eventual solution to the dispute. But there were obvious difficulties in pursuing the leaseback concept following Mr Ridley's consultation of Islander opinion and the reaction in this House to this report at the end of 1980. Attempts by successive Governments to persuade the Argentines that the joint development of the economic resources of the area was the best means of making progress and of resolving the political issue had been unsuccessful. The 'freeze' proposal, which the Islanders favoured, had also been rejected. Yet the negotiations had to be maintained if a situation causing serious difficulties for both the Islanders and the Government were to be avoided. Lord Carrington made clear to the Argentine Foreign Minister that no solution could be contemplated which did not have Islander agreement. On this basis his suggestion to the Argentines that they should advance constructive ideas of their own which might lead to progress was a proper tactic to keep the negotiating process alive. Indeed the subsequent Argentine proposals for broadening the scope of the negotiations away from a narrow concentration on the sovereignty issue appeared at the end of 1981 to offer scope for a more substantive dialogue.

At Lord Carrington's office meeting on 5 March 1982, it was decided that a paper for OD should be drafted (paragraph 147). Why in the event was no paper circulated to OD in March? (See also paragraphs 291 and 292).

It was agreed within the FCO before the New York talks that there should be an OD meeting soon afterwards to discuss the position reached and future options. On 15 February Lord Carrington alerted his OD colleagues to the need for an OD meeting in March. The purpose of the proposed memorandum for OD was to review the wider implications of the dispute and the policy options in the light of the New York talks and to circulate civil and military contingency papers.

Following the New York talks, it was intended to recommend to OD that the establishment of a Negotiating Commission on the lines worked out in New York should be agreed. However, the unilateral Argentine communique of 1 March and the accompanying hostile press comment introduced a new and difficult element. It was clear that the Government could only continue the negotiations if these were to be on a basis acceptable to the Islanders and to British public and Parliamentary opinion. At Lord Carrington's meeting on 5 March, it was seen as essential that Lord Carrington's proposed message to Costa Mendez setting out the criteria for continuing negotiations should be endorsed by Island Councillors before delivery. It was also Lord Carrington's view that OD consideration of the wider implications would be better focussed once the Argentine response had been received and the prospect for continuing negotiations was clear. The draft message was sent to the Governor on 8 March and it was not until 16 March that Councillors were able to meet and endorse the text. Arrangements were accordingly made to despatch the message to Costa Mendez but, before it could issue, the Davidoff landing intervened. Meanwhile, the question of political and financial authority for carrying forward civil contingency planning was pursued by Ministerial correspondence and Ministers remained in contact on other aspects of the situation.

Why did you not discuss the Falklands in the Defence Committee or Cabinet between January 1981 and 25 March 1982? (Paragraphs 291 and 292).

The Government had decided their policy, which was to continue negotiations with the Argentine Government. As specified in the Report, Lord Carrington reported regularly to me and to our Defence Committee colleagues. Discussions in Cabinet and Cabinet Committees are primarily for the purpose of reviewing policy, taking fresh decisions, or resolving disagreements which cannot be settled in correspondence. The execution of agreed policy lies properly in the hands of the responsible Ministers. Up to the New York talks at the end of February 1982 the responsible Minister, Lord Carrington, saw no cause for a reconsideration of agreed Government policy. As the Committee says (paragraph 147), after the New York talks Lord Carrington did in fact commission a review of the situation and a paper to be discussed in the Defence Committee when an Argentine response had been received to the message urging the Argentines to put the negotiations back on the rails. In the event this was overtaken by the South Georgia incident and the developing crisis (see commentary on paragraph 147).

The FCO view of the dispute in early 1982 was reasonable in the light of all the circumstances at the time (paragraph 296). But it proved in the event a misjudgement based on:

a. underestimating the importance for Argentina of a timetable for a transfer of sovereignty by the end of 1982;

b. being unduly influenced by the fact that previous periods of tension had not led to confrontation;

c. believing that there would be an orderly escalation of pressures before military action. Insufficient allowance was made for Argentine unpredictability.

These general criticisms involve a strong element of hindsight. They assume that the Argentine invasion of 2 April could have been foreseen. The Report recognises that the FCO view of the dispute in early 1982 was reasonable in the light of all the circumstances at the time. The importance for Argentine of the Islands' 150th Anniversary in early 1983 was fully understood. Nor was the assessment influenced by a knowlege of previous periods of tension (of which neither Ministers nor officials had direct and personal experience): and there is nothing in the papers to suggest that it was. Assessments were made entirely on the basis of the current evidence. The view that, following a breakdown of negotiations, Argentina was likely to exert economic and diplomatic pressures before considering military action was based not only on a judgement of what was in Argentina's own best interests: but on the corroboratory evidence of intelligence and of more overt insights into Argentine intentions. There is no evidence from either before or after the invasion to suggest that the assessments made in early 1982 represented a misreading of the situation at the time. What upset the judgement was the way the South Georgia incident developed, which - as the Report makes clear - could not have been foreseen.

Although FCO officials recognised the seriousness of the situation in early March, they did not:

a. press Ministers to consider deterrent rather than diplomatic counter-measures;

b. prompt the JIC urgently to update the July 1981 threat assessment (paragraph 300);

FCO officials did not attach sufficient weight to the changing Argentine attitude at and following the New York talks or to the new and threatening elements in the Argentine position. They should have drawn Ministers' attention more effectively to the changed situation (paragraph 302). There would have been advantage in early March in the Government giving wider consideration to the need for some form of deterrent action (paragraph 330).

The Report concludes that the invasion of 2 April could not have been foreseen: that the decision to invade was not taken until very late: and that the Davidoff landing was not contrived to create a major incident. The Report also relates the information available in early March on Argentine intentions: that, despite the increasing Argentine impatience, direct pressures would follow, not precede, a breakdown of negotiations: and that, while the possible need for military action late in the year was under consideration, there was no consensus within the Junta on the use of force. The Report also confirms that FCO officials recognised the seriousness of the situation in early March following the New York talks: and had, in consequence, brought the question of possible naval deployment to Ministers' attention.

What we have to ask ourselves is whether it would have been reasonable in the circumstances obtaining in early March to send a deterrent force. Surely not. The situation was not tense enough. The cost and penalties would have been great: and how long would a force have had to be kept there?

There was also the risk that the despatch of a force, if it became known, would prejudice the efforts to find a diplomatic solution and provoke the very action it was designed to deter.

Between December and March 1982 there was close contact between the FCO and the Joint Intelligence Organisation on the need to revise the July 1981 threat assessment. Two criteria were seen as determining the timing of such a revision. The first was whether the threat had substantially altered. Prior to the New York talks it remained the considered view that although the background had changed with the tougher posture of the Galtieri Government, the conclusions of the 1981 assessment and the range of options open to the Argentines remained substantially the same. It was however agreed that the assessment should be updated following the New York talks; and, as the Report indicates, work on a revised paper was put in hand in early March. The second criterion was the usefulness of a revised threat assessment to Ministers as a factor in considering broad policy on the Falklands. It was seen (as had also been envisaged with the July 1981 paper) as most effectively associated with the next meeting of OD, which was expected to take place in March. A further factor in completing the revised version undertaken in March was that to be fully valid, it had to take account of the Argentine response to Lord Carrington's proposal and thus of the prospect for continuing negotiations.

Why were Argentina and the Falkland Islands in no more than a "relatively low category" for intelligence collection? (Paragraph 304).

Argentina and the Falklands were in a relatively low category for intelligence collection as compared with, for example, the political and military threat from the Soviet Union and the Warsaw Pact. It is obvious that the scope for intelligence collection on the former target requires much less in the way of resources. But that does not mean that considerable intelligence resources and attention were not devoted to the problem, as the Report demonstrates. Intelligence made an important contribution over the years, and in particular in the period immediately before 2 April, to our understanding of Argentine aims and policies. The increased requirement notified in October 1981 was a reflection of the developing situation.

Why was it decided on a number of occasions between November 1981 and March 1982 that there was "no need" to revise the assessment made in July 1981 of the Argentine threat to the Falkland Islands, even though there had been significant political changes in Argentina? (Paragraphs 308, 309 and 315).

The Committee record in paragraphs 308, 309 and 315 of their Report, the reasons they were given in evidence for the decision to link a fresh assessment to the next meeting of the Defence Committee. They have also expressed the conclusion that this decision was "not ... unreasonable" in the light of the information available at the time.

Substantive threat assessments of this kind remain valid until they are superseded. The key judgements in the assessment of July 1981 were that Argentina continued to prefer to achieve its objective of extending its sovereignty over the Falkland Islands by peaceful means; and that if Argentina were to conclude that there was no hope of a peaceful transfer of sovereignty, there would be a high risk of its resorting to more forcible measures, and that it might act swiftly and without warning. No information from either open or secret sources which was received between July 1981 and late March 1982 suggested that Argentina had decided to abandon the road of negotiations for that of invasion, as the Committee themselves have concluded. Indeed, again as the Committee themselves report, Argentina decided only at a very late stage to invade, and then for reasons which had nothing directly to do with the negotiations, which were still in being. (Report, paragraphs 266, 294, 312, 328). Nevertheless, with hindsight there would have been advantage in revising the assessment of July 1981 early in 1982, after Galtieri had come to power, even if, as would almost certainly have been the case, it had reached conclusions which were "not significantly different" (Report, paragraphs 315 and 316) from the earlier assessment.

Why were "additional resources" not allocated to intelligence collection on Argentine intentions and policies after October 1981, when the Joint Intelligence Committee had concluded that the requirement for such intelligence had increased? (Paragraph 311).

The House will not expect me to go into details of the operations of the intelligence services, nor do I intend to do so. I will say this, however. The fixing of priorities of importance for intelligence collection is not synonymous with providing more money or other specific resources though it may mean changes in emphasis. The Committee themselves have recorded what they were told on this point. I am satisfied that in this case the collection effort was closely directed, and produced valuable results.

Why did Defence Attache have no remit to obtain detailed information of military movements in Argentina? (Paragraph 312).

British defence attaches have a number of duties including responsibility for advising the Ambassador on general defence matters and collecting readily available information on the armed forces of the country to which they are accredited. Defence attaches must conform with the laws and regulations of the countries to which they are accredited and must not engage in anything which could be regarded as covert information-gathering activity. This is not to say that defence attaches would not report significant movements which came to their attention.

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Why did the Defence Attache have no remit to obtain detailed information of military movements in Argentina (paragraph 312)?

In the previous sentence the Franks Committee refer to comprehensive coverage of military movements. Defence Attaches should and do report military movements which come to their attention, but it is neither practicable nor appropriate to give them responsibility for providing comprehensive information. Apart from the physical difficulty of covering a country as large as Argentina (which the Franks Committee acknowledges), Military Attaches have to act within the laws and regulations of the countries to which they are accredited.

"We remain doubtful about two aspects of the work of the Joint Intelligence Organisation":

a. "First, we are not sure that at all important times the assessments staff were fully aware of the weight of Argentine press campaign in 1982".

b. "Our second doubt is whether the Joint Intelligence Organisation attaches sufficient weight to the various actions of the British Government". (Paragraph 316).

The assessments staff were kept fully informed by the Foreign and Commonwealth Office of the reporting by the British Embassy in Buenos Aires of the Argentine press campaign, and they discussed with FCO officials the significance of this campaign and its relationship to similar campaigns in earlier years. In doing so they also took into account the intelligence reports on the background to the press campaign. The Committee have summarised the main themes of this campaign (Report, paragraphs 129-132). The message it appeared to convey was that henceforth Argentina would expect progress in negotiations according to a strict timetable, and that if this was not acceptable to Britain, alternative courses, including diplomatic and economic pressures but not excluding military action, would be contemplated. This was in line with the indications from other sources of the mood at that time in the Argentine Government, not least in suggesting that the end of the negotiating road had not yet been reached, though it was closer than before. The press campaign itself gave no more hint than any other piece of information of an intention to invade the Falkland Islands without waiting for an answer from HM Government on the proposal to open talks which had been discussed in New York at the end of February.

The Joint Intelligence Organisation paid close attention to all the material it received on the Argentine response to the actions of the British Government, both over the preceding years (eg the British reaction to Southern Thule, the decision to withdraw HMS Endurance) and in the period after the landing of Sr Davidoff

on South Georgia on 19 March. In the period between 19 March and 2 April 1982, the greater part of the material available on this aspect was from diplomatic reporting from Buenos Aires. Intelligence did not suggest that the Davidoff landing was part of a deliberate plan to provoke hostilities (cf Report, paragraphs 206 and 321), and it was not until 1 April that intelligence was received which suggested that the military leaders in Argentina were close to using the military option (Report, paragraph 250).

"We believe that [the assessments machinery] was too passive in operation to respond quickly and critically, to a rapidly changing situation which demanded urgent attention". (Paragraph 318).

"We consider that the assessments machinery should be reviewed", notably in respect of the arrangements for bringing to its attention information other than secret intelligence reports, and as regards the composition and chairmanship of the Joint Intelligence Committee. (Paragraph 319).

Under its present terms of reference, the assessments machinery is essentially responsive, not initiatory. The Joint Intelligence Committee is charged with the responsibility "to assemble, evaluate and present such intelligence on events ... as may be required by ... Departments ... or as the Committee may deem necessary". The assessments machinery works under the direction of the Committee. The Joint Intelligence Organisation depends critically on Government Departments tasking it, and making full use of its resources. As soon as evidence began to suggest that there was a threat of invasion (and the Committee have concluded that there was no reason to believe before 31 March that an invasion was imminent) (Report, paragraph 261), the assessments machinery responded both quickly and critically and continued to do so throughout the crisis. Paragraph 307 lists the occasions between July 1981 and March 1982 when consideration was given to the need to update the July 1981 assessment.

The relationship of the Joint Intelligence Committee to the Cabinet and to Government Departments was a matter which was already under consideration before Lord Franks and his Committee made their Report. It is clearly important that there should be available to the Government a source of advice on developing external threats to British interests which has access to information from all sources, including secret intelligence, which is independent of the policy preoccupations of particular Departments, and which can serve to identify situations which require immediate policy consideration. The role given to

the Joint Intelligence Committee and its assessments staff is crucial to this. Close liaison between these bodies and the Foreign and Commonwealth Office and the Ministry of Defence already exists, but the Government accept the views of the Committee on the need for even closer liaison and for a clearer understanding of the role of the Joint Intelligence Committee. We are already considering certain organisational changes to achieve this.

The Government is also considering changes in the composition and chairmanship of the Joint Intelligence Committee. It has been the practice for many years for the chairmanship to be held by a Deputy Under Secretary in the Foreign and Commonwealth Office. Appointments to that post are only made after consultation with the Secretary of the Cabinet and with my concurrence. Although the Foreign and Commonwealth Office official concerned is not engaged full time in the chairmanship of the Joint Intelligence Committee, he nevertheless fulfils that role independently of his Foreign and Commonwealth Office responsibilities, and reports in that capacity to the Secretary of the Cabinet and myself. Consideration is also being given to how best to ensure that the Joint Intelligence Organisation receives all the information other than from secret sources which it needs if it is to carry out properly the responsibilities laid on it.

There should have been closer monitoring of Davidoff's operations after December 1981 and better liaison between the FCO, the Embassy in Buenos Aires and the Governor (paragraph 323).

Prior to Davidoff's visit to South Georgia in December 1981, the Governor was informed by the Embassy in Buenos Aires as soon as they themselves received notification. Details of the proposed visit were also passed to the Governor from Salvesens both directly and via the Foreign and Commonwealth Office. Following the December episode, the Embassy sought to make contact with Davidoff but were told by his office that he was away (this was in the Argentine summer holiday season). The Embassy eventually succeeded in contacting Davidoff on 22 February and a full discussion with him of the ~~of the~~ circumstances of his December visit and of his proposed further visit in March took place on the following day. He claimed to be unaware of the problems caused by him in December and said that, as he had only been on Leith for four hours, he had not thought it necessary to seek formal authorisation at Grytviken. Davidoff was again reminded of the requirement to comply with the appropriate immigration formalities. The Governor was informed and both he and the Base Commander at Grytviken were also informed when Davidoff notified the Embassy of his departure in March.

There was a full exchange of information between the Embassy, the FCO, the Governor and the Base Commander at Grytviken on Davidoff's intended movements in both December and March. The Embassy had sought to make contact with Davidoff following his December visit and eventually did so. Davidoff appeared to understand the need to observe the necessary formalities and to be ready to comply with them. His contract was legally valid and he could not have been prevented from seeking to fulfil it. HMG's interest lay in ensuring that it was carried out properly and with the minimum fuss. The Government and the Base

Commander were informed. There was no further action which could usefully have been taken in the circumstances. For the Embassy to have sought to involve the Argentine Government at that stage would have unnecessarily drawn their attention to the political aspects and would have been entirely counter-productive.

An SSN should have been sent out earlier (paragraph 332)

The Report suggests that there was a case for taking the decision to despatch the first nuclear submarine just after the 24/25 March. It must, of course, be a matter of judgement at what point Argentine intentions towards the Davidoff incident became sufficiently clear to justify taking an SSN off other tasks and deploying her to the South Atlantic. But at that time - the 25 March - it was still expected that the situation could be resolved by diplomatic means. And while steps were taken to ensure that HMS Endurance could remain on station longer than originally planned and consideration was given separately to possible means of naval reinforcement, should it be needed, it was not thought necessary at that stage to despatch an SSN. But by the beginning of the next week 29 March there were firmer indications of Argentine intentions towards South Georgia and it was therefore thought prudent to order the despatch of a submarine.

Why didn't the Prime Minister make it clear that we would answer force with force (paragraph 333)? Was not her language ("the Government could not acquiesce in action against the Falkland Islands") too weak?

As the Committee had concluded, there was no reason to believe before 31 March that an invasion was imminent. Our actions, including the tone of our public statements and our communications with the Argentine Government, were determined accordingly. The language used by Mr Luce in the House on 23 March and by the British Ambassador at Buenos Aires on instructions on 25 March was designed to make our resolve to defend the Falkland Islands clear, without using language which the Argentines could have interpreted or represented as being threatening or provocative. I was equally firm in speaking to President Reagan who, as the Report records, subsequently made it clear to General Galtieri that we would regard action against the Falklands as a casus belli. Even after the invasion had taken place, our objective was to get the Argentines off the Islands by peaceful means, backed by the deployment of the Task Force and the political and economic action we took at once against Argentina. That remained our objective up to the moment when it became clear beyond any possibility of doubt that nothing short of force would induce the Argentines to withdraw their troops from the Islands.

POINTS IN CHAPTER 4 OF THE FRANKS REPORT AFFECTING LABOUR AS WELL AS (OR INSTEAD OF) CONSERVATIVE GOVERNMENTS

B1 - British Government prepared to cede sovereignty (paragraph 270)

B2 - Response to the Argentine occupation of Southern Thule (paragraph 279)

B3 - Failure to implement the Shackleton Report of 1976 (paragraphs 280 and 286)

B4 - Comparison with deployment of ships in 1977 (paragraph 327)

Points in Chapter 4 of the Franks Report affecting Labour Governments as well as (or instead of) Conservative Governments.

British Government prepared to cede sovereignty (paragraph 270)

This crucial change in the negotiating position of the British Government dates from 1966. It was the Labour Government which in March 1967 first told the Argentine Government formally that they would be prepared to cede sovereignty over the Islands under certain conditions. It was only this House which prevented the Labour Government from going ahead with negotiations on the basis of a Memorandum of Understanding which would have recognised Argentina's sovereignty over the Islands from a date to be agreed.

And it was Mr Callaghan's Government which responded to a deteriorating situation after 1975 by agreeing to fresh negotiations covering sovereignty. When we came to power we decided that it was undesirable that talks should be renewed on the basis of the terms of reference announced by Dr Owen in April 1977 which made clear that sovereignty was negotiable and which also specifically included the Dependencies in the scope of the negotiations. But we thought it was in the interests of the Islanders to keep negotiations going, and the Islands Joint Council agreed. If we had refused to continue negotiating, we could have precipitated a crisis then and there. But we always made it unequivocally clear both to Parliament and to the Argentines that an essential condition was that any settlement must be acceptable to the Islanders.

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Response to the Argentine Occupation of Southern Thule (paragraph 279)

The history of the dispute recorded by the Committee shows that an Argentine military presence on Southern Thule was discovered within a month or so of its being established towards the end of 1976. But the Labour Government's reaction was merely to make a low-level diplomatic protest. And apparently they accepted the Argentine claim that it was only a scientific station, while taking pains over a period of two years to avoid its existence becoming known to this House or to the British public. It is hardly surprising that this led the Committee to conclude that Argentina "no doubt always had in mind that what it saw as the weakness of Britain's response to the establishment on Southern Thule in 1976 was an indication that it might be able to mount similar operations, at least in the uninhabited islands, without provoking serious retaliatiatory action". Thus was sown the seed of the adventure which took an Argentine party to South Georgia in March 1982.

Failure to implement the Shackleton Report of 1976 (paragraph 280 and 286)

This was a decision of the Labour Government under Mr Callaghan. The key recommendation was the lengthening of the airport runway. This would have reduced the Islands' dependence on Argentina for air communications. And, as the Committee itself acknowledges, the decision to reject some of Lord Shackleton's recommendations including this important one, may have served to cast doubt on Britain's commitment to the Islands and their defence.

Comparison with deployment of ships in November 1977 (paragraph 327)

Those responsible in the Labour Government of the time must explain their reasons for despatching ships covertly to the South Atlantic to buttress forthcoming negotiations. The deployment cannot have acted as a deterrent, since the Committee itself comments (Annex A - paragraph 5) that they have had no evidence that the Argentine Government became aware of the deployment.

But the Committee concludes that the circumstances leading up to the New York talks at the end of February 1982 were different and did not warrant a similar naval deployment, and it comments that Lord Carrington's view after the New York talks that nothing had happened to trigger the sending of a deterrent force was not an unreasonable view to take at the time.

INTERNATIONAL RELATIONS IN THE TWENTIETH CENTURY: MAJOR EPISODES AND NOTES ON A NUMBER OF ENQUIRIES

1. The Franks Committee is unusual in being composed entirely of Privy Counsellors. In the main committees of Privy Counsellors have been appointed to look into questions of procedure or principles rather than particular incidents. Two fairly recent examples are the Radcliffe committee on ministerial memoirs which followed the publication of the Crossman diaries, (Lord Franks was a member) and the Houghton committee on Cabinet document security. There does not appear to be any Privy Counsellor enquiry parallel with the present Franks Committee.

2. During the present century it has not generally been the practice for the Government to appoint public enquiries into military campaigns or diplomatic incidents. Domestic and colonial rather than international affairs have been the subject of major investigation during the past 80 years and only the following eight enquiries can be considered as relating to major episodes in our international relations.

A. SOUTH AFRICAN WAR, REPORT 1903

By a Royal Warrant of September 1902 a Commission was appointed to 'inquire into the military preparations and other matters connected with the War in South Africa'. The Commissioners seem to have been in some doubt as to the main purpose of the inquiry but decided that it was to discover inefficiency or defects in the administration of the Army and to indicate their causes wherever possible. The Commission heard evidence from 114 witnesses and the Minutes of Evidence, together with some of the more important documents submitted, were published.

The Commission's report was critical of defects in government organisation which lead to our military unpreparedness for war in South Africa, and the fact that there was no preparation for utilising the reserves of military strength in the United Kingdom, colonies and dependencies. The structure of the War Office and its Intelligence Department were also found to be defective.

B. DARDANELLES COMMISSION, REPORT 1917

A Special Commissions (Dardanelles and Mesopotamia) Act was passed in 1916 which provided for the appointment of a Commission to be appointed 'for the purpose of inquiring into the origin, inception and conduct of operations of war in the Dardanelles and Gallipoli,

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including supply of drafts, reinforcements, ammunition and equipment to the troops and Fleet, the provision for the sick and wounded, and the responsibility of those departments of Government whose duty it has been to minister to the wants of the forces employed in that theatre of war'. The Commission took evidence in secret session from 26 witnesses including the Prime Minister, Cabinet Ministers and military and naval commanders and had access to papers of the Cabinet and War Council.

The Commission found that it had been a mistake to confine the first attack to a naval bombardment rather than an amphibious attack on the Gallipoli Peninsula and were critical of the Prime Minister, the First Sea Lord and the members of the War Council for coming to decisions without much fuller investigations being made.

C. MESPOTAMIA COMMISSION, REPORT 1917

Under the provisions of the Special Commission (Dardanelles and Mesopotamia) Act of 1916 a second Commission was appointed with similar terms of reference to inquire into the war in Mesopotamia. The Commission held 60 meetings and interviewed over 100 witnesses including the Secretary of State for India and the Viceroy. They obtained evidence on oath, enforced the attendance of witnesses and examined all official documents relevant to their inquiry.

The Commission reported that the expedition to Mesopotamia was a justifiable military enterprise but was administratively mishandled by the India Office and the Indian Government. Individual officers, government officials and ministers were criticised for their part in this military misadventure and for the inadequacies of equipment, transport and medical provision.

D. DISTURBANCES IN THE PUNJAB, REPORT 1920

In October 1919 a Committee was appointed by the Government of India to 'investigate the recent disturbances in Bombay, Delhi and the Punjab, their causes, and the measures taken to cope with them', with Lord Hunter as president. The Committee heard evidence at Delhi, Lahore, Ahmedabad and Bombay and all but four of the witnesses were heard in public. Some of the witnesses were represented by counsel who were permitted to cross-examine

/witnesses

witnesses put forward by the authorities and call witnesses of their own. In its report the Committee was highly critical of General Dyer on whose orders troops opened fire at Amritsar on 13 April 1919, killing at least 379 people.

E. PALESTINE ROYAL COMMISSION, REPORT 1937

The Commission was appointed on August 1936 to ascertain the underlying causes of the disturbances which broke out in Palestine in the middle of April, to enquire into the implementation of the Mandate in Palestine in relation to Britain's obligations towards the Jews and the Arabs respectively and ascertain whether either had any legitimate grievance. The Commission took evidence in Jerusalem and heard 60 witnesses in public and a further 53 in camera. It was decided not to admit counsel. A further 10 witnesses were examined when the Commission returned to London. As the Commission had been directed to establish the underlying causes of the disturbances and not to apportion blame its recommendations were mainly concerned with improvements in the machinery of government in Palestine. It also made detailed proposals for a lasting settlement in Palestine.

F. CYPRUS SELECT COMMITTEE, REPORT 1976

A Select Committee of the House of Commons was appointed in August 1975 to consider the situation in the Republic of Cyprus with particular reference to the current position of United Kingdom residents there. The Committee took evidence in London from Ministers and officials, visited Cyprus and Greece for discussions with members of the respective governments, but were unable to produce their report before the end of the Parliamentary Session. The Committee was re-established in January 1976 and heard further evidence in London. Their Report, published in April 1976 is however largely based on information obtained during the visit to Cyprus and Greece in September 1975. In the view of the Committee Britain had a legal right, a moral obligation and the military capacity to intervene in Cyprus at the time of the Turkish invasion during July and August 1974, but did not intervene for reasons which the Government refused to give. The Committee also found that the decision by the Foreign Secretary to move Turkish Cypriot refugees from the Sovereign Base Area was an error of judgment and that the British Government had failed to cope adequately with the problem of Cypriot refugees coming to the United Kingdom in 1974.

/G. BINGHAM

G. BINGHAM REPORT, 1978

Mr T H Bingham, QC and Mr S M Gray, FCA were appointed in May and July 1977 respectively by Dr David Owen, then Foreign Secretary, to conduct an investigation to establish the facts concerning operations whereby supplies of petroleum reached Rhodesia since 17 December 1965; to establish the extent to which persons and companies within the scope of the Sanctions Orders have played any part in these operations; and to obtain evidence of evasion of the Sanctions Orders. The investigation heard oral evidence from 40 witnesses and had access to a large volume of government papers. These included a small number of Cabinet Committee papers for the years 1966-1968 which were passed inadvertently to Mr Bingham. Those who were the subject of criticism in the draft report were given the opportunity to challenge criticisms and rebut adverse findings of fact.

The report found that BP and Shell subsidiaries had effectively supplied oil to Rhodesia for most of the period of sanctions. The British Government were content to be able to say that no oil was being sent by British owned companies to Rhodesia, an assurance that was repeated after it had ceased to be true. On 15 December 1978 the Prime Minister announced that subject to the approval of both Houses after the Christmas recess a commission of enquiry composed of MPs or Peers, with a Lord of Appeal as Chairman, would be set up to consider, following the report of the Bingham inquiry, the part played by those concerned in the development and application of oil sanctions against Rhodesia with a view to determining whether Parliament or Ministers were misled, intentionally or otherwise, and to report. The commission would have access to Cabinet and other official papers if the former Prime Ministers concerned agreed. It would sit in private, but its report would be published. In the event although the proposal to set up a joint commission was approved by the House of Commons early in 1979 it was rejected by the House of Lords on 9 February and was never appointed.

H. CROWN AGENTS TRIBUNAL, REPORT 1982

The Tribunal to inquire into certain issues arising out of the operations of the Crown Agents as financiers on own account in the years 1967-74, was appointed by Mr Merlyn Rees, then Home Secretary, in March 1978 and

/reported

reported in March 1982 (HC 364 of 1981/82). The members of the Tribunal heard oral testimony for 260 days from 98 witnesses and accepted written evidence from a further 8 witnesses. Legal representation of those called as witnesses was permitted with discretion and 27 parties were so represented. Before being called to give evidence each witness was sent a list of questions likely to arise which might result in criticism of his conduct.

The Tribunal had access to all relevant departmental files but not, so far as is known, to Cabinet papers. Its report was highly critical of the Crown Agents staff but concluded that the Ministry of Overseas Development, the Treasury and the Bank of England were also culpable.

An earlier Committee of Inquiry was appointed by the Minister of Overseas Development in April 1975 to inquire into the cirumstances which led to the Crown Agents requesting financial assistance from the Government in 1974. The Committee took evidence from 46 witnesses but had no authority to demand information, whether documentary or oral, from anyone. The report was intended to establish what the Crown Agents had, or had not, done, and did not attempt to apportion blame.

3. Episodes in British international relations in the present century which were not subsequently subjected to public nequiry include:

a. The Chanak crisis, 1922, which led to the fall of Lloyd George's government.

b. The Zinoviev letter, 1924, which contributed to the fall of the first Labour government.

c. Munich, 1938.

d. Fall of Singapore, 1942.

e. End of the mandate on Palestine, 1947/48.

f. Nationalisation of British oil interests in Iran 1951/53.

g. Suez 1956 (apart from an investigation by Sir Edwin Herbert into the number of Egyptian casualties and the extent of physical damage in Port Said).

h. Britain's failure to join the EEC in 1963.

i. Rhodesia's Unilateral Declaration of Independence, 1965.

j. The collapse of the Shah's regime in Iran. 1978/79.

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4. It may also be of interest to refer briefly to some other enquiries which, though not in the field of international relations, have all been concerned with the actions and responsibilities of ministers and officials.

a. LYNSKEY TRIBUNAL

Established in October 1948 to inquire into allegations reflecting on the official conduct of Ministers of the Crown and other public servants. 58 witnesses gave evidence and were allowed to be represented by counsel, and were themselves cross examined by the Attorney General or one of the Counsel appearing with him. The report, while rejecting as baseless rumours of the payment of large sums of money to Ministers or public servants, found there was justification for some of the allegations against Mr John Belcher, Parliamentary Secretary to the Board of Trade, and Mr George Gibson, Chairman of the North Western Electricity Board and a director of the Bank of England.

b. CRICHEL DOWN

In November 1953 Andrew Clark QC was appointed by the Minister of Agriculture, Sir Thomas Dugdale, to enquire into the disposal of land at Crichel Down. Mr Clark heard oral evidence of 28 witnesses and examined in detail all relevant departmental correspondence and minutes. In his report various civil servants were severely censured for a variety of errors and improprieties. They had displayed unjustifiable hostility to the heir of one of the previous owners of the land at Crichel Down and had deliberately sought to deceive the Minister as to the financial prospects of the scheme on which they proposed to embark. During the course of a debate on the Crichel Down report on 20 July 1954 Sir Thomas Dugdale announced his resignation.

c. PROFUMO ENQUIRY

In June 1963 Lord Denning was appointed by the Prime Minister to examine the operation of the Security Service and the adequacy of their cooperation with the police in matters of security in the light of the circumstances leading to the resignation of the former Secretary of State for War, Mr J D Profumo. Lord Denning interviewed 160 witnesses in secret including the Prime Minister, 8 Cabinet Ministers, 7 other Ministers, 20 Members of the Houses of Parliament and numerous civil servants.

/Counsel

Counsel were not admitted. His report found that there had been no breach of security in the affair but it revealed a failure of coordination between the police departments in their early enquiries into Miss Keeler's activities. Lord Denning also questioned ministerial responsibility for Mr Profumo's impropriety.

d. VASSALL CASE

A tribunal with Lord Radcliffe as chairman, was appointed in November 1962 by Mr Henry Brooke, the Home Secretary to inquire into the circumstances in which offences under the Official Secrets Acts were committed by W J C Vassall. Because of the sensitive nature of the enquiry many of the 142 witnesses who gave oral evidence were examined in camera, but some hearings were in public. Legal representation was granted to those who might be subject to adverse reflection from anything said in the report. The Tribunal also had access to the relevant documents.

In its report the Tribunal cleared Lord Carrington, First Lord of the Admiralty, and Mr Galbraith, Civil Lord, of any suspicion of complicity in or knowledge of Vassall's espionage and homosexual activities, but discovered a number of security lapses in the Admiralty.

e. POULSON ENQUIRY

A Select Committee of the House of Commons was appointed in November 1976 to 'inquire into the conduct and activities of Members of this House in connection with the affairs of Mr J G L Poulson'. The Committee sat in camera and examined 9 witnesses. In its report the Committee commented unfavourably on the conduct of three MPs: Mr John Cordle, Mr Reginald Maudling and Mr Albert Roberts and found that Mr Cordle's conduct amounted to a contempt of the House.

LIBRARY AND RECORDS DEPARTMENT

FOREIGN AND COMMONWEALTH OFFICE

7 January 1983

CONFIDENTIAL

10 DOWNING STREET

cc LPO
CO
Mr Rickett

From the Principal Private Secretary

14 January 1983

Prime Minister

You may wish to raise the handling of the Franks debate with the Lord President, Chief Whip, and Home Secretary and Chairman on Monday.

CDP 14/1

Dear Murdo,

We discussed your letter of 13 January to Willie Rickett.

To take the last point first, the Prime Minister agreed that a day of Government time should not be provided for a debate on the economy, and I understand that it has now been arranged that the Opposition will take a Supply Day for this purpose next week, after the Chancellor of the Exchequer has returned from his overseas visit.

On the arrangements for publication of the Franks Report, I enclose a copy of a letter which the Prime Minister has now sent to Mr Foot indicating that she will make an oral statement. I will be in touch with Mr Foot's office on Monday to see if, in the light of this letter, Mr Foot still wants a discussion with the Prime Minister, with a view to arranging that on Monday afternoon.

With regard to the debate, the Prime Minister sees some force in Mr Foot's point that a one day debate would result in a preponderance of Privy Counsellors being called to speak with resulting criticism from back benchers. But she does not think it reasonable that the Government should be asked to provide two days in Government time, and she therefore suggests that the Chief Whip should take the line with the Opposition in discussing these matters that the Government thinks that one day would be sufficient but would be perfectly content with a two day debate provided that the Opposition provided the second day from their allocation of time. This matter could be discussed, if the Lord President and the Chief Whip wished, at the Prime Minister's meeting with colleagues before lunch on Monday morning.

I am copying this letter to David Heyhoe (Lord President's Office) and to Sir Robert Armstrong.

Yours ever,

Robin Butler

Murdo Maclean Esq.,
Chief Whip's Office.

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10 DOWNING STREET

THE PRIME MINISTER

14 January 1983

Dear Michael,

Thank you for your letter of 13 January.

I hope to be able to let you have a copy of the Franks Committee Report at midday on Monday 17 January and to publish it at 4.30 pm the following day.

As regards the statement accompanying publication of the Report on Tuesday, I think that the House will expect me to describe briefly the ground covered by the Report and its main conclusions. I understand that your view is that such a statement should be made orally, and I agree. I propose therefore to make an oral statement including the suggestion that we should have a very early debate on the Report.

Yours sincerely

Margaret Thatcher

The Right Honourable Michael Foot MP

SUBJECT

Argentina Reserves

CONFIDENTIAL

File AH

cc Mr Coles
Mr Rickett

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE FRANKS REPORT

At your discussion with the Prime Minister this morning, she discussed with you your minute of 12 January (A083/0102). You told her that the text of the report had now been agreed for publication, and that the further amendment of paragraph 233 mentioned in your minute was not being made.

The Prime Minister discussed with you the draft statement attached to your minute, and you agreed to provide a revised version incorporating the Prime Minister's amendments before the weekend.

The Prime Minister agreed with the outline of the speech attached to your minute, and it was agreed that you would provide the material listed there by the middle of next week, and a draft of the speech would then be developed in this office. It would be a great help to us if we could have that material by close of play on Tuesday 18 January.

The Prime Minister agreed the draft telegrams to Washington attached to your minute, and authorised their despatch today.

On other arrangements, it was agreed that the report would be made available in the Vote Office at the end of Proceedings on the Prime Minister's statement on Tuesday 18 January. To ensure that the report is made available to the House of Commons before it is generally published, the time of general publication should be 4.30 pm on Tuesday 18 January.

Copies of the report will be supplied by this office to the Leader of the Opposition, Sir Harold Wilson, Mr Callaghan, Mr Heath, Mr Atkins, Mr Ridley and Mr Luce at midday on Monday 17 January. I suggest that we should also supply copies of the final version of the report to Lord Carrington and Sir John Nott at the same time. Copies will be provided to the Leaders of the Liberal, Social Democrat, Ulster Unionist and Scottish Nationalist Parties at midday on Tuesday 18 January. Please could your office provide me on Monday morning with the requisite number of copies of the report for

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that purpose, together with six copies for the use of this office.

You told the Prime Minister that you would be providing by this evening a note on the various comments in the Franks Report about the Government's handling of the matters covered by the report. The Prime Minister authorised you to make this note available to Lord Carrington and Sir John Nott on Monday.

F.E.R.B.

14 January 1983

Ref: A083/0133

CONFIDENTIAL

MR. BUTLER

Franks Report

I attach a second draft of the Prime Minister's statement on the Franks Report, incorporating the amendments we discussed with the Prime Minister this morning.

2. I am sending copies of this minute and the revised version to the Secretaries of State for Foreign and Commonwealth Affairs and for Defence.

RTA

Robert Armstrong

14th January 1983

CONFIDENTIAL

Ref. A083/0132

MR BUTLER

--- I attach drafts of letters under cover of which the Prime Minister could send copies of the Franks Report on Monday to those who are to receive it in advance.

Mr Atkins has said that he would like his copy sent to my office, where he will collect it himself at lunch-time on Monday.

RGA

ROBERT ARMSTRONG

14th January 1983

DRAFT LETTER FOR THE PRIME MINISTER TO SEND TO THE RT HON MICHAEL FOOT MP

--- I enclose herewith a copy of the report of the Falkland Islands Review Committee. The report is to be published at 4.30 pm tomorrow, after I have made an oral statement in the House of Commons in which I shall be suggesting that we should have a very early debate on it.

The report will not be released to the press in advance of time of publication, and I would therefore ask you to treat it as sent to you on a personal and confidential basis, and not to disclose any part of it or give any indication of its contents to the media before 4.30 pm tomorrow afternoon.

I shall say in my statement that the Government has agreed with Lord Franks amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. I shall be able to tell the House that Lord Franks agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

I should be perfectly happy for you to see a copy of the report as submitted, so that you could satisfy yourself about the amendments, if you wished to do so. For obvious reasons the unamended copies of the report are being kept under strict control, but the Secretary of the Cabinet has a copy of the report as submitted, with the amendments marked in it, and, if you would like to go round to the Cabinet Office to inspect that, he would be very happy to make the necessary arrangements.

DRAFT LETTER TO THE RT HON JAMES CALLAGHAN MP

Write similarly to

THE RT HON EDWARD HEATH MBE MP
SIR HAROLD WILSON KG OBE FRS MP
THE RT HON THE LORD CARRINGTON KCMG MC
THE RT HON HUMPHREY ATKINS MP
HON NICHOLAS RIDLEY MP
RICHARD LUCE MP
THE RT HON SIR JOHN NOTT KCB MP

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow, Tuesday 18th January, at 4.30 pm, after I have made a statement in the Hosue of Commons, and I should be grateful if you would treat your copy of the report as strictly confidential until then. The report will not be released to the press in advance of time of publication, and I would therefore ask you to treat it as sent to you on a personal and confidential basis, and not to disclose any part of it or give any indication of its contents to the media before 4.30 pm tomorrow afternoon.

DRAFT LETTER FOR THE PRIME MINISTER TO SEND TO THE RT HON MICHAEL FOOT MP

PERSONAL AND CONFIDENTIAL

I enclose herewith a copy of the report of the Falkland Islands Review Committee. ~~The report is~~ to be published at ~~4.30 pm~~ tomorrow, after I have made an oral statement in ~~the~~ House of Commons in which I shall be suggesting that we should have a very early ~~debate on~~ it.

The report will not be released to the press in advance of time of ~~publication~~ my statement tomorrow, and I would therefore ask you to treat it as sent to you on a personal and confidential basis, and not to disclose any part of it or give any indication of its contents to the media before ~~4.30 pm tomorrow afternoon.~~ 11am.

I shall say in my statement that the Government has agreed with Lord Franks amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. I shall be able to tell the House that Lord Franks agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

I should be perfectly happy for you to see a copy of the report as submitted, so that you could satisfy yourself about the amendments, if you wished to do so. For obvious reasons the unamended copies of the report are being kept under strict control, but the Secretary of the Cabinet has a copy of the report as submitted, with the amendments marked in it, and ~~, if you would like to go round to the Cabinet Office to inspect that,~~ he would be very happy to make the necessary arrangements for you to inspect it

DRAFT LETTER TO THE RT HON JAMES CALLAGHAN MP

Write similarly to

THE RT HON EDWARD HEATH MBE MP
SIR HAROLD WILSON KG OBE FRS MP
THE RT HON THE LORD CARRINGTON KCMG MC
THE RT HON HUMPHREY ATKINS MP
HON NICHOLAS RIDLEY MP
RICHARD LUCE MP
THE RT HON SIR JOHN NOTT KCB MP

~~THE CONFIDENCE~~ PERSONAL AND CONFIDENTIAL

I am sending you with this letter a copy of the report of the Falkland Islands Review Committee under the chairmanship of Lord Franks. The report is to be published tomorrow afternoon, Tuesday 18th January, ~~at 4.30 pm, after I have made~~ when I hope to make a statement in the Hosue of Commons. ~~and I should be grateful if you would treat your copy of the report as strictly confidential until then~~. The report will not be released to the press in advance of ~~time of publication~~ my statement, and I would therefore ask you to treat it as sent to you on a strictly personal and confidential basis, and not to disclose any part of it or give any indication of its contents to the media ~~before 4.30 pm tomorrow afternoon,~~ ~~in advance of my statement~~ before that time.

[To Lord Carrington and Sir John Nott only]

I am also enclosing, for your personal information, some notes prepared on the ~~comments made by~~ observations of the Franks Committee ~~on aspects of the Gover~~ on the Government's handling of the dispute.

Ref. A083/0128

MR BUTLER

The Franks Report

--- As requested in your minute of 4th January, I attach the following material -

i. a full list of observations (I suggest that from now on we use this word rather than "criticisms") in the Franks Report, together with a reasoned reply to each (Annex A);

ii. points in chapter 4 of the Franks Report affecting Labour Governments as well as (or rather than) Conservative Governments (Annex B).

2. Annex A has been prepared by Mr Goodall's working group which included representatives of the Foreign and Commonwealth Office, Ministry of Defence and Joint Intelligence Organisation. The observations are set out in their order of appearance in the report, not in any order of importance. If Sir Antony Acland or Mr Whitmore have any further comments, perhaps they would let you have them direct. Annex A might also, I suggest, serve three other purposes. First, as a quarry for the Prime Minister's opening speech during the Parliamentary Debate. Second, by Mr Ingham and the press spokesmen of the Foreign and Commonwealth Office and Ministry of Defence as defensive briefing material. And third, as the basis for replying to any Parliamentary Questions which may be tabled in the period between the Prime Minister's statement on publication and the debate. Annex B contains material that might be suitable for the Prime Minister's closing speech during the debate.

3. I am sending copies of this minute to Sir Antony Acland, Mr Whitmore and Mr Ingham.

RA

ROBERT ARMSTRONG

14th January 1983

PRIME MINISTER

PUBLICATION OF THE FRANKS REPORT

I attach a letter from the Leader of the Opposition, with a reply which I suggest that we discuss at the meeting with Sir Robert Armstrong tomorrow morning.

The Chief Whip has had a conversation with the Opposition about an oral statement, and Mr. Foot's position is that he would have no objection to a written statement - indeed he would favour it - provided that it did not go beyond announcing that the Report had been published and was available in the Vote Office, and that there would be an opportunity for an early debate. I think that you envisaged that a statement, even if written, would need to go further than that and I understand that Mr. Foot thinks that a statement calling attention to the conclusions of the Report should be made orally.

Mr. Foot still seems to be envisaging a discussion with you, although your previous letter only offered such a discussion if Mr. Foot felt there was something to discuss. I suggest we send off the attached reply tomorrow and I ring up Mr. Foot's office on Monday. If he still felt it necessary to have a talk with you, we could arrange it on Monday afternoon.

RB

13 January 1983

HOUSE OF COMMONS
LONDON SW1A 0AA

The Office of the
Leader of The Opposition

13 January 1983

Dear Margaret,

Thank you for your letter of 7 January and for your agreement to discuss with me on a Privy Counsellor basis, the arrangements for publishing and debating the Franks Report.

Of course I would like to see a copy of the report as soon as possible and would appreciate it if you could now inform me when that will be. I am also unclear from your letter about your suggestion that any substantive comment on the report will be deferred until the debate. Perhaps you could let me know whether you intend to make an oral statement on the day the report is published.

Michael Foot

The Rt Hon Margaret Thatcher MP

ARGENTINA : REVIEW : PT 3.

Government Chief Whip
12 Downing Street, London SW1

CONFIDENTIAL

13th January 1983

Dear Willie,

I had a meeting at 12 noon today with Michael Foot and the Opposition Chief Whip when we discussed -

1) the handling of the Report of the Franks Committee and
2) the request from the Opposition for a debate on the economic situation .

Mr Foot showed me a copy of a letter which he has sent to the Prime Minister and therefore our conversation took place in the light of that. With regard to the publication of the Franks Report, he would have no objection to the Report being published without an oral statement from the Prime Minister, but he does not think that any written statement should go beyond announcing that the Report had been published and was available in the Vote Office, with perhaps some reference to the fact that there would be an opportunity for an early debate. If, however, the intention was to have a written statement which called attention to various aspects or conclusions in the Report he believes that this should be done orally. I do not believe that he sees any advantage in having an oral statement and he thinks that the first comment by the Prime Minister and by himself should be in the debate, but clearly this may not inhibit others from commenting in advance of the debate.

With regard to the debate itself, he believes that the Government should provide 2 days in Government time, with perhaps the first day being exempted until 12 midnight, since he regards this issue as of the highest importance and he believes that one day would result in a preponderance of Privy Councillors being called to speak with resultant criticism from back benchers on all sides of the House. (You will recall that after Shadow Cabinet yesterday there had been a suggestion that the Opposition might provide an Opposition day for a second day of the debate on the Franks Report.)

Mr Foot will be away tomorrow and Saturday and therefore if the Prime Minister wished to see him then the only opportunity would be Monday morning.

With regard to the request for a debate on the Economic Situation, I informed the Opposition that the Government were not minded to provide a day in Government time and again drew attention to the fact that the Opposition had a day when they could debate a subject of their choice. Mr Foot nevertheless

/Contd

suggested that the Prime MInister might wish to reconsider the decision not to provide a day in Government time and asked me to inform No.10 accordingly. I think it would be helpful if I could let the Opposition know the Prime Minister's response as early as possible this afternoon.

I am sending copies of this letter to David Heyhoe (Lord President's Office) and Sir Robert Armstrong (Cabinet Office).

Yours ever,

Murdo MacLean

(Murdo MacLean)

W Rickett Esq.,
Office of the Prime Minister

Prime Minister ✓ Sir A. Parsons

It may be convenient to have a word with Sir Robert Armstrong about these papers at the Business meeting tomorrow.

The statement does not need to be settled now; but I have written two comments in the margin.

The most immediate issue is the telegram of instructions to Sir O. Wright, which you should approve by tomorrow, Friday.

Ref: A083/0102

CONFIDENTIAL

MR. SCHOLAR

The Franks' Report

FERB 13.1.

What is believed to be the final proof is now attached

I attach a proof of the Franks' Report. [It is not a final proof and not absolutely correct; I hope therefore that the Prime Minister will not treat it as her working copy. We shall have a further proof by Friday, which I hope can be so treated.]

Amendments

2. All but one of the amendments to be made to the Report to protect intelligence interests have been agreed with Lord Franks.

Passage deleted and retained under Section 3(4).

C A Wayland
7 February 2013.

Statement in the House

3. I attach a draft for the Prime Minister's statement in the House of Commons. The draft has been agreed with the Foreign and Commonwealth Office and the Ministry of Defence and with the Agencies. Paragraph 5 has been discussed with Lord Franks, who has agreed the text of it. If we are to make any changes, particularly in the three sub-paragraphs, I should like to have an opportunity o agreeing them with Lord Franks. In the last sentence but one of paragraph 5 (the sentence before the sub-paragraphs) there is a reference to "minimising potential damage to British intelligence interests". 'C' would have preferred a reference to "national security", in order to reduce the extent to which this paragraph harps on "intelligence". I understand his concern, but I think the more specific reference of "British intelligence interests" is to be preferred: it is a more accurate description and, in my view, less likely to invite comment and probing questions than the vague "national security" which may be thought to cover a lot of other matters and thus may raise suspicions which are unjustified.

4. Paragraph 7 of the draft statement does not refer to the Committee's proposal for a review of the machinery for preparing and dealing with intelligence assessments. To refer to it in this statement would be very much to highlight that aspect of the Report. We suggest that it should be regarded as in effect cover for the phrase "the machinery of government could have been better used" in the previous sentence. The question of the intelligence assessments machinery will of course need to be dealt with in the Prime Minister's speech in the ensuing debate, and drafting is well advanced on what might be said on that.

Prime Minister's Speech in the Debate

5. I attach a suggested outline for the Prime Minister's speech opening the debate on the Franks' Report. The outline has been agreed with the Foreign and Commonwealth Office, the Ministry of Defence and the Agencies. It is of course a draft for the Prime Minister's approval, and we shall need to consider where the work of putting the speech together is to be done. But in order not to lose time I have asked the Departments indicated to start work on the preparation of the material.

I suggest that the job of turning Departments' material into speech form should be done in No. 10.

Instructions to British Embassy in Washington

6. Sir Oliver Wright is being warned that the Franks' Report is expected to be published on 18th January, so that he can be ready to go into the State Department the previous day, as agreed. I attach drafts of the telegrams of instructions to be sent to him, covering both his instructions for his visit to the State Department and instructions for a parallel visit by the JIC representative to the intelligence community in Washington.

7. I am sending copies of this minute and the annexes to the Secretaries of State for Foreign and Commonwealth Affairs and for Defence.

RTA

Robert Armstrong

12th January 1983

Falkland Islands Review Committee

Statement by the Prime Minister

With permission, Mr Speaker, I will make a statement about the report of the Falkland Islands Review Committee.

2. The House will remember that I announced the setting up of the review committee in July 1982, after consultation with the Rt Hon. Gentleman the Leader of the Opposition and leading Privy Counsellors in other parties. At that time I expressed the hope that the committee would be able to complete its work within six months.

3. The committee has justified that hope. I received its report on 31st December 1982, and I am presenting it to Parliament as a Command paper later this afternoon. ~~Copies will be available in the Vote Office when I sit down.~~ Arrangements for proceedings on this statement.

4. When hon. Members see the report, they will, I know, share my view that it is a remarkable achievement for the committee to have digested the large amount of written material put at its disposal, and the oral evidence it received, and to have produced such a thorough and comprehensive report, in so short a time. I should like to express the Government's admiration and gratitude to the rt. hon. and noble Lord, Lord Franks, and to his rt. hon. colleagues for the amount of time and effort which they have devoted to making this achievement possible.

CONFIDENTIAL

5. The report makes it clear that the Committee was provided with all the papers relevant to its terms of reference, including a comprehensive ~~and~~ ~~for certain periods~~ unexpurgated collection of reports from the intelligence agencies. ~~A complete~~ ~~Its~~ The Committee's report contains a considerable number of references to intelligence matters which would not in other circumstances be divulged. These references are essential for a full understanding of the matters into which the Committee was asked to inquire, and the Government has agreed that the public interest requires that on this unique occasion the normal rule against public references to the intelligence organisation or to material derived from intelligence reports should be waived. The Government has, however, agreed with the rt. hon and noble Lord, Lord Franks, amendments to certain of the references to intelligence reports with a view to minimising potential damage to British intelligence interests. Lord Franks has authorised me to tell the House that he agrees that:

(1) all the references to intelligence reports included in the Committee's report as submitted have been retained in the report as presented to Parliament, most of them without amendment;

(2) none of the amendments that have been made alters the sense, substance or emphasis of the reference to the intelligence report concerned, or removes anything of significance to the Committee's account of the matters referred to it or to its findings and conclusions;

(3) apart from those agreed amendments, no other deletions or amendments have been made to the Committee's report as submitted.

6. The report is unanimous and is signed by all the members of the Committee without qualification ~~or reservation~~. It falls into four chapters. ~~The first three are narrative~~. The first ~~chapter~~ gives an account of the dispute from 1965 to May 1979. The second covers the period from May 1979 to 19th March 1982. The third deals with the fortnight from 19th March to 2nd April 1982 which included the South Georgia incident and led up to the Argentine invasion of the Falkland Islands. The fourth and final chapter deals with the way in which the Government discharged its responsibilities in the period leading up to the invasion. There are six annexes, the first ~~one~~ of which comments on a number of specific assertions made by people who have spoken or written on the matters in question.

7. In the fourth chapter of the report the Committee notes a number of points where in their judgment different decisions might have been taken, fuller consideration of alternative courses of action might have been advantageous, and the machinery of Government could have been better used. ~~But~~ This ~~final~~ ~~The fourth~~ chapter ~~of the report is primarily~~ addresses and deals with to two crucial questions:

Omit, ~~since this repeats the words used below in the Quotation of para. 339 of the report – see para. 10 below.~~ is all

(1) could the Government have foreseen the invasion of 2nd April 1982?

(2) could the Government have prevented the invasion?

8. The Committee ~~rightly~~ emphasises that its report should be read as a whole, ~~and the House now has an opportunity to do that.~~ At this stage, therefore, I will do no more than quote the words in which the Committee sums up its conclusions on these two crucial questions.

9. On the first question, whether the Government could have foreseen the invasion of 2nd April, the Committee's conclusion is as follows:

Para 266. "In the light of this evidence, we are satisfied that the Government did not have warning of the decision to invade. The evidence of the timing of the decision taken by the Junta shows that the Government not only did not, but could not, have had earlier warning. The invasion of the Falkland Islands on 2nd April could not have been foreseen."

10. On the second question, whether the Government could have prevented the invasion, the Committee's conclusion is as follows:

339. Against this background we have pointed out in this Chapter where different decisions might have been taken, where fuller consideration of alternative courses of action might, in our opinion, have been advantageous, and where the machinery of Government could have been better used. But, if the British Government had acted differently in the ways we have indicated, it is impossible to judge what the impact on the Argentine Government or the implications for the course of events might have been. There is no reasonable basis for any suggestion - which would be purely hypothetical - that the invasion would have been

prevented if the Government had acted in the ways indicated in our report. Taking account of these considerations, and of all the evidence we have received, we conclude that we would not be justified in attaching any criticism or blame to the present Government for the Argentine Junta's decision to commit its act of unprovoked aggression in the invasion of the Falkland Islands on 2nd April 1982.

11. Mr. Speaker, rt. hon. and hon. Members of the House will ~~want~~ will to read the report ~~for themselves~~ in full, ~~and study it with the same thoroughness with which it has been prepared~~. No doubt we shall then want to debate it: ~~I hope that a day~~ time can be found for ~~that~~ a debate on the Report very soon: ~~that is a~~ the matter ~~which can~~ will be discussed through the usual channels. That debate will provide ~~me~~ us with an opportunity to deal more fully than is possible in this statement with the issues covered by the committee's report. ~~and it will provide opportunities for the House to ask and the Government to answer the questions to which the report will no doubt give rise.~~

Omit?

Falkland Islands Review Committee

Outline of Prime Minister's Speech
opening the debate on the
Franks Report

I.	Origins of the Committee. Decision to set up inquiry Consultations on composition and terms of reference Announcement of setting up.	Cabinet Office
II.	Proceedings of the Committee. Access to papers. Numbers of meetings Oral evidence Treatment of Cabinet and Cabinet Committee documents Treatment of intelligence.	Mr Rawsthorne Mr Rawsthorne and Cabinet Office
III.	The Committee's report Summary of report	Mr Rawsthorne
IV.	The Committee's comments on Developments from 1965 to May 1979	Cabinet Office
V.	The Committee's comments and suggestions on the way in which the present Government discharged its responsibilities, and comments, thereon.	Cabinet Office, with FCO and Ministry of Defence (based on Goodall group)
VI.	The Committee's suggestions on the intelligence organisation, and the Government's response.	Cabinet Office with FCO and Ministry of Defence
VII.	The Committee's main conclusions: Could the Government have known about the invasion? Could the Government have prevented the invasion?	 FCO Ministry of Defence
VIII.	Conclusion	10 Downing Street

Draft telegram to Washington

For JICREP

From CO-ORDINATOR

FALKLAND ISLANDS REVIEW

The report of the Falkland Islands review committee will be published at 1600Z on 18 January after a short statement by the Prime Minister at 1530Z. Ambassador is being asked to outline to the Americans the previous afternoon a number of passages in the report which refer to the US and to exchanges between the British and US Governments. There are in addition three references to US intelligence - see MIFT.

2. Subject to the Ambassador's agreement you should arrange for these references to intelligence to be shown, on afternoon of 17 January, to CIA, INR and DIA.

Passage deleted and retained under Section 3(4).
CAWayland, 7 February 2013

3. In addition to these references - which are entirely innocuous - the report contains a large number of references to information obtained through secret intelligence. You may assure the CIA that none of the secret intelligence referred to in the report, whether identified as such or not, is based on CIA material. GCHQ representatives in Washington will be speaking to NSA about those passages in the report which are based on SIGINT.

SECRET

4. In taking action as in paragraph 2 above you and your colleagues should explain that secret intelligence formed such an integral element in the events which the committee were asked to investigate that Lord Franks and his colleagues found it impossible to write the report without referring to intelligence reporting. Wherever possible they drafted the references in such a way as to limit to the greatest possible extent the damage that might be caused to our intelligence collection capability; but ~~it may be necessary for~~ the Prime Minister ~~to~~ may explain either in her statement on 18 January or during the later debate that this procedure of open reference to the substance of intelligence was agreed to meet the wholly exceptional circumstances and will not be treated as a precedent.

DISTRIBUTION - Co-ordinator
JIS Registry

Draft telegram to Washington

For JICREP

From CO-ORDINATOR

MIPT. Following are the three passages in the report.

A. Paragraph 264. 'It may be thought that, although the Government could not have had earlier warning of the invasion, they must have had fuller and more significant information of Argentine military movements. The fact is that there was no coverage of these movements and no evidence available to Government from satellite photographs.'

B. Paragraph 313. 'There was no coverage of Argentine military movements within Argentina, and no advance information was therefore available by these means about the composition and assembly of the Argentine naval force that eventually invaded the Falklands. There was no intelligence from American sources or otherwise to show that the force at sea before the invasion was intended other than for normal naval exercises. No satellite photography was available on the disposition of the Argentine forces.'

C. Annex A (an Annex dealing with false assertions that have been made).

II. 'Assertion: Clear warnings of the invasion from American intelligence sources were circulating more than a week beforehand.

Comment: No intelligence about the invasion was received from American sources, before it took place, by satellite or otherwise.'

OUT TELEGRAM

Classification and Caveats	Precedence/Deskby
CONFIDENTIAL DEYOU	IMMEDIATE 171300Z

ZCZC 1 ZCZC
GRS 2 GRS
CLASS 3 CONFIDENTIAL
CAVEATS 4 DEYOU
DESKBY 5 171300Z<<< DESKBY 171300Z
FM FCO 6 FM FCO
PRE/ADD 7 TO IMMEDIATE WASHINGTON
TEL NO 8 TELEGRAM NUMBER
9
10 FROM PUS
11 MY TELNO : FALKLAND ISLANDS: FRANKS REPORT
12 1. MIFT gives a summary of those parts of the Franks
13 Report which refer to the US Government. The Report will be
14 published at 1600Z on 18 January, ~~when~~ immediately after the Prime Minister has
15 ~~will~~ made a statement in the House. A full debate on the
16 Report is expected to take place before the end of January.
17 2. You should now inform the State Department at the highest
18 appropriate level of the timing of the Report's publication
19 and of the references in it detailed in MIFT. You should
20 emphasise that this advance warning is being given in strict
21 confidence and that the Government attach the greatest
/// 22 importance to the contents of the Report remaining confidential
// 23 before publication. You may also say that the Report as a
/ 24 whole, in describing and commenting on the actions of both
25 the British and US Governments, has set out to be as full

NNNN ends telegram	BLANK	Catchword and
File number	Dept PUS's	Distribution Minimal PS/PUS Sir R Armstrong, Cabinet Office
Drafted by (Block capitals) M H JAY		
Telephone number 233 5501		
Authorised for despatch		
Comcen reference	Time of despatch	

XY 48

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and frank as possible, so that the facts should be clear. ~~While~~ We appreciate that this may perhaps cause some difficulties for the Americans, but we hope that they will understand why it has been done. You may tell them that, if asked about the details of US involvement, the Government intend to take the line that these are matters for the Americans to comment on but that we remain deeply grateful to the US Government both for Mr Haig's efforts at mediation and for the invaluable support and assistance given to Britain after Mr Haig's efforts had failed. ~~during the crisis~~.

3. Please report State Department reactions by immediate telegram.

PYM

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NNNN ends telegram	BLANK	Catchword

OUT TELEGRAM

Classification and Caveats	Precedence/Deskby
CONFIDENTIAL DEYOU	IMMEDIATE 171300Z

ZCZC 1 ZCZC
GRS 2 GRS
CLASS 3 CONFIDENTIAL
CAVEATS 4 DEYOU
DESKBY 5 DESKBY 171300Z
FM FCO 6 FM FCO
PRE/ADD 7 TO IMMEDIATE WASHINGTON
TEL NO 8 TELEGRAM NUMBER
9 FROM PUS
10 MIPT: FALKLAND ISLANDS: FRANKS REPORT
11 1. Following is outline of main references in the Franks
12 report to US involvement (numbers refer to paragraph numbers
13 in the report):
14 120: Factual account of improving US/Argentine relations
15 in 1981.
16 129/ ~~and~~ Argentine press allegations in early 1982 that US
17 139: Government would support Argentine military action
18 and might perhaps be offered naval facilities in the
19 Islands.
20 142-4: Account of Mr Luce's briefing of Mr Enders on 1 March;
21 attempts to brief him further before he visited Buenos
/// 22 Aires; the visit itself; and Mr Enders' account of it
// 23 to Mr Luce.
/ 24 157: Details of Lord Carrington's message of 8 March to
25 Mr Haig and Mr Haig's reply.

NNNN ends telegram	BLANK	Catchword 158
File number	Dept PUS's	Distribution Minimal PS/PUS Sir R Armstrong, Cabinet Office
Drafted by (Block capitals) M H JAY		
Telephone number 233 5501		
Authorised for despatch		
Comcen reference	Time of despatch	

XY 48

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197: Briefing of the US Charge in London about the Davidoff landing.

211: Details of Lord Carrington's message of 28 March to Mr Haig.

216: Sir N Henderson's discussion on 29 March with Mr Stoessel.

222: Lord Carrington's summoning of the US Charge on 30 March.

227: Account by the US Ambassador in Buenos Aires of Costa Mendez's rejection (on 30 March) of the US Government's offer of good offices.

231: Report to the British Naval Attache in Buenos Aires by the US Naval Attache (31 March) that the Argentine fleet was at sea, unexpectedly.

235: Details of the Prime Minister's message of 31 March to President Reagan.

* ~ *

243: Details of Mr Haig's message of 1 April to Lord Carrington and of President Reagan's to the Prime Minister.

248: Account of the US Ambassador in Buenos Aires' meetings on 1 April with both Costa Mendez and Galtieri and of the State Department's decision, in the light of the Ambassador's conclusion that the Argentines would carry out the invasion, to ask President Reagan to intervene.

252: Account of Mr Haig's and President Reagan's attempts to speak to the Argentine leaders on 1/2 April.

254/5: President Reagan's telephone call to the Prime

///
//
/

~ Passages deleted and retained under Section 3(4). CRWayland, 7 February 2013.

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Minister on 2 April, informing her of his discussion with Galtieri: and the Americans' subsequent account of it.

276: Refers again to improved US/Argentine relations in 1981 and suggests that Argentines may have believed the US Government were sympathetic to their claim to the Falklands.

2. All these references, except the last, occur in the narrative part of the Report. Most should cause no difficulty for the US Government, as they relate facts which are already widely known, although some give details of previously confidential messages and conversations. There are, however, some potentially awkward passages which are related below:

144: Reporting on Mr Enders' visit to Buenos Aires in March, the British Ambassador said that "his information from the American Embassy was that Mr Enders had not taken the opportunity specifically to advise the Argentines to keep the temperature down". The paragraph goes on to record that Mr Enders did subsequently ask that Mr Luce be informed of his discussion with Costa Mendez on the dispute.

Passage deleted and retained under Section 3(4).

CA Wayland
7 February 2013.

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US would not take sides: Sir N Henderson's reply that the Americans could surely not remain neutral when British territory had been occupied illegally: and Mr Stoessel's assurance that while the US remained neutral on the underlying dispute, they would use their good offices to solve the immediate South Georgia problem.

222: On 30 March Lord Carrington "summoned the US Charge to express his displeasure at the message from Mr Haig "... which had put the British position on the same footing as Argentina's."

Passage deleted and retained under Section 3(4).
CAWayland. 7 February 2013

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PYM

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NNNN ends telegram	BLANK	Catchword

File

10 DOWNING STREET

Franks Report Distribution

Prime Minister

FERB
AJC

SofS Defence
PUS Defence

Foreign Sec
PUS FCO

RTA
Cdvin (Cab Office)
Deputy Secretary to Cabinet
Lord Carrington
Spare photocopy with Duty Clerk
Top copy with Duty Clerk.
Sir A Parsons

Sir Antony Acland KCMG KCVO
Permanent Under-Secretary of State

Foreign and Commonwealth Office

London SW1A 2AH

11 January 1983

Sir Robert Armstrong GCB CVO
Cabinet Office

My dear Robert,

FRANKS REPORT

1. Thank you for your letter of 10 January agreeing that Sir Oliver Wright should be authorised to give the US State Department 24 hours' advance warning of the Report's publication and of the references in it to US involvement.

2. I attach three draft telegrams to Washington. The first gives the Ambassador advance warning that instructions will be sent to him on 17 January. The second and third - to be sent to arrive first thing Washington time on the morning of 17 January - set out these instructions and summarise the relevant references in the Report. Robin Butler will no doubt want to consult the Prime Minister about the second and third telegrams, but the first might go at once.

3. The telegram of instructions sets out the line the Government intend to take in reply to questions in Parliament or elsewhere on the US position. This line has not, of course, yet been agreed, and the line in the draft telegram may need to be amended before despatch when the Prime Minister has considered this point in the light of David Goodall's group's recommendation.

4. The draft telegrams seem to us consistent with the telegram which we understand Tony Duff will be putting to you about briefing the US intelligence agencies, which we have seen in draft.

5. I am copying this to Clive Whitmore and Robin Butler.

Yours ever

Antony

Antony Acland

OUT TELEGRAM

Classification and Caveats	Precedence/Deskby
CONFIDENTIAL DEYOU	PRIORITY

ZCZC 1 ZCZC
GRS 2 GRS
CLASS 3 CONFIDENTIAL
CAVEATS 4 DEYOU
DESKBY 5
FM FCO 6 FM FCO
PRE/ADD 7 TO PRIORITY WASHINGTON
TEL NO 8 TELEGRAM NUMBER
9 FROM PUS
10 ~~FROM PUS~~ FALKLAND ISLANDS: FRANKS REPORT
11 1. Strictly for your own information at this stage, the
12 Franks Report will be published in the early afternoon of
13 18 January, at the same time as a statement on it to
14 Parliament by the Prime Minister. Prior to publication
15 knowledge of this timing and of the Report's contents will
16 remain confined to a very small number of Ministers and officials.
17 2. The Report gives a detailed account of our exchanges with
18 the Americans before the invasion and also comments on the
19 Argentine assessment of the US attitude to the dispute.
20 3. It has been agreed that you should be authorised to give
21 the US Government 24 hours advance notice of those parts of
/// 22 the Report which refer to them. It would seem right to do
// 23 this at a high level, which you may think should be Shultz
/ 24 himself. You will receive a telegram of instructions first
25 thing on 17 January. You or Derek Thomas will therefore need

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File number	Dept: PUS's Dept	Distribution: Minimal PS/PUS Sir R Armstrong, Cabinet office
Drafted by (Block capitals): M H JAY		
Telephone number: 233 5501		
Authorised for despatch		
Comcen reference	Time of despatch	

XY 48

	Classification and Caveats		Page
	CONFIDENTIAL DEYOU		2

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to be available then to act on them. Meanwhile you should take no action to forewarn the Administration

4. Green will be receiving a separate telegram of instructions about PYM references in his report to US intelligence.

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OUT TELEGRAM

Classification and Caveats	Precedence/Deskby
CONFIDENTIAL DEYOU	IMMEDIATE 171300Z

ZCZC 1 ZCZC
GRS 2 GRS
CLASS 3 CONFIDENTIAL
CAVEATS 4 DEYOU
DESKBY 5 171300Z<<< DESKBY 171300Z
FM FCO 6 FM FCO
PRE/ADD 7 TO IMMEDIATE WASHINGTON
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9
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13 Report which refer to the US Government. The Report will be
14 published at Z on 18 January, when the Prime Minister
15 will make a statement in the House. A full debate on the
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18 appropriate level of the timing of the Report's publication
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Authorised for despatch		
Comcen reference	Time of despatch	

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Classification and Caveats		Page
CONFIDENTIAL DEYOU		2.

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FM FCO
PRE/ADD
TEL NO

ZCZC
GRS
CONFIDENTIAL
DEYOU
DESKBY 171300Z
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TO IMMEDIATE WASHINGTON
TELEGRAM NUMBER
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157: Details of Lord Carrington's message of 8 March to Mr Haig and Mr Haig's reply.

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XY 48

Classification and Caveats		Page
CONFIDENTIAL DEYOU		2

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CA Wayland
7 February 2013.

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CABINET OFFICE

With the compliments of
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet

F.E.R.Butler, Esq

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref: A083/0086

11th January 1983

Thank you very much for our letter of 10th January and the note on other Committees of Enquiry into international relations in the twentieth century.

I think that the note which has been prepared is extremely useful. There is only one supplementary point which it would be interesting to know. Has any of the previous Committees or Commissions of Enquiry concerned itself with intellgence aspects of the matters into which they have enquired? I think that Franks may be unique in that as in other respects.

I am sending copies of this letter to Clive Whitmore and Robin Butler.

ROBERT ARMSTRONG

Sir Antony Acland, KCMG, KCVO

File

Foreign and Commonwealth Office

London SW1A 2AH

Sir Antony Acland KCMG KCVO
Permanent Under-Secretary of State

10 January 1983

Sir Robert Armstrong GCB CVO
CABINET OFFICE

My dear Robert,

THE FRANKS REPORT: OTHER COMMITTEES OF ENQUIRY

1. Robin Butler's minute to you of 4 January summarising the decisions on handling the Franks Report which were reached at the Prime Minister's meeting at Chequers that day, asked the FCO to prepare a historical note on which major episodes in our international relations in the present century have and have not been the subject of subsequent enquiries. I attach a note prepared by the FCO's Library and Records Department. This seems to me to cover the ground extremely well, but I should be grateful if you or Robin Butler could let me know if there is anything further which you would like from us on the subject.

2. I am copying this letter and enclosure to Robin Butler and to Clive Whitmore.

Yours ever

Antony

Antony Acland

CABINET OFFICE

With the compliments of
Sir Robert Armstrong KCB, CVO
Secretary of the Cabinet

F.E.R. Butler, Esq.,

70 Whitehall, London SW1A 2AS
Telephone: 01-233 8319

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Secretary of the Cabinet: Sir Robert Armstrong KCB, CVO

Ref: A083/0050 10th January 1983

The Franks Report

Thank you very much for your letter of 6th January.

On the question when we tell the United States Administrati I think that the problem has been made easier by the Prime Minister's agreement that we should release copies of the Report to the Leader of the Opposition and to former Prime Ministers on Monday, 17th January at noon (that is related to publication on the afternoon of Tuesday, 18th January, and would change if the publication date itself changed). This means, I think, that we can ask Oliver Wright to inform the State Department on the morning of Monday, 17th January at, say, 10.00 am Washington time

Passage deleted and retained under Section 3(4).
CWayland, 7 February 2013

I hope that the Foreign and Commonwealth Office will take responsibility for preparing the telegram of instructions to Oliver Wright. Whoever is responsible for that will no doubt wish to liaise with the people here who are preparing instruction: to those who will contact the United States Intelligence Agencies I think that we ought to try to get a draft of the instructions t Oliver Wright to the Prime Minister on Thursday, 13th January; if it can be ready by Wednesday, so much the better.

I also agree that arrangements should in principle be made for the Civil Commissioner in Port Stanley to receive a copy of the Report on or as near as possible to the date of publication, and I am asking my people to look into the mechanics of this with the Ministry of Defence.

I am sending copies of this letter to Clive Whitmore and Robin Butler.

ROBERT ARMSTRONG

Sir Antony Acland, KCMG, KCVO

PERSONAL AND CONFIDENTIAL

Prime Minister
If you agree we will arrange for Lord Franks to come in between the statement and the debate.
PERB 13.1.

Ref. A083/0048

MR BUTLER

It became clear in the course of my talks with Lord Franks about the amendments to the Franks Report that he is hoping that the Prime Minister will invite him to come and see her. I said that I knew that she had this in mind, but that it seemed to me that such a meeting could be misinterpreted if it happened before the Committee's Report was published. Lord Franks entirely agreed with this. Perhaps some time between the statement and the debate would be right for this?

Yes please MT

RA

ROBERT ARMSTRONG

10 January 1983

Arranged for 11 a.m. on Wed. Jan 19

The National Archives

LETTERCODE/SERIES PREM 19 PIECE/ITEM 955 (one piece/item number)	Date and sign
Extract/Item details: Letter from Moore to Butler dated 8 January 1983.	
CLOSED FOR 40 YEARS UNDER FOI EXEMPTION	29 May 2013 C Wayland
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	

MR. BUTLER

cc Mr. Rickett

Debate on the Franks Report

When the Foreign and Commonwealth Secretary called on the Prime Minister today he expressed the view that, on the assumption that the debate on the Franks Report lasted for two days, it would be wrong for the Prime Minister not to be supported by Front Bench spokesmen. He believed that a MOD Minister should speak at the end of the first day and that he himself should open on the second day. Mr. Pym emphasised that he considered it important that a FCO Minister should speak during the debate.

The Prime Minister neither accepted nor rejected these ideas.

A. J. C.

7 January 1983

Argentina file AH
cc CO

10 DOWNING STREET

THE PRIME MINISTER

7 January 1983

Dear Lord Franks.

There will be later opportunities for me to put on public record my gratitude, and that of the Government, to you and your colleagues for the prompt delivery of the Report of the Falkland Islands Review Committee and for all the work which made that possible. But I wanted to write this personal note to you at once to thank you most warmly for all that you have done to this end.

When in July I expressed the hope that you would be able to report within six months, I was well aware that I was setting my sights high and you and your colleagues a formidable task. I know that you and your colleagues have had to work hard and intensively to read and digest all the papers put at your disposal and to hear the evidence of all the witnesses whom your task made it necessary to call. It is an extraordinary achievement that all this material has been absorbed and concentrated into so thorough and comprehensive a report in so short a time. Not only its thoroughness but also the fact that it is unanimous will give it tremendous authority.

I realise how fortunate we have been that you were prepared to take this inquiry on, to give so much time to it, and to chair it with such skill and authority. I am deeply grateful to you.

With best wishes for 1983.

Yours sincerely

Margaret Thatcher

The Right Honourable
The Lord Franks OM GCMG KCB CBE FBA DL

Ref. A083/0039

MR BUTLER

The Prime Minister may like to write to Lord Franks on the lines of the attached draft.

RWA

ROBERT ARMSTRONG

7 January 1983

DRAFT LETTER FROM THE PRIME MINISTER TO THE RT HON THE LORD FRANKS OM GCMG KCB CBE FBA DL, FALKLAND ISLANDS REVIEW COMMITTEE, ROOM 1/95, OLD ADMIRALTY BUILDING

There will be later opportunities for me to put on public record my gratitude, and that of the Government, to you and your colleagues for the prompt delivery of the Report of the Falkland Islands Review Committee and for all the work which made that possible. But I wanted to write this personal note to you at once to thank you most warmly for all that you have done to ~~make this possible~~ this end.

I was well aware that, when in July I expressed the hope that you would be able to report within six months, I was setting my sights high and you and your colleagues a formidable task. I know that you and your colleagues have had to work hard and intensively to read and digest all the papers put at your disposal and to hear the evidence of all the witnesses whom your task made it necessary to call. It is an extraordinary achievement that all this material has been absorbed and concentrated into so thorough and comprehensive a report in so short a time. Not only its thoroughness but also the fact that it is unanimous will give it tremendous authority.

I realise how fortunate we have been that you were prepared to take this inquiry on, to give so much time to it, and to chair it with such skill and authority. I am deeply grateful to you.

With best wishes for 1983.

CONFIDENTIAL

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HO
WS FCO
CWO

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

I attach for your information, and that of the other recipients of this minute, copies of an exchange of letters between the Prime Minister and the Leader of the Opposition about the handling of the Franks Report.

I am copying this minute and the enclosures to John Halliday (Home Office), Brian Fall (Foreign and Commonwealth Office) and Murdo Maclean (Chief Whip's Office).

F.E.R.B.

7 January 1983

CONFIDENTIAL

SUBJECT

SECRET

Prosecution 7

2 LEAA

10 DOWNING STREET

cc master

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE FRANKS REPORT : INTELLIGENCE CONCERNS

The Prime Minister discussed with you this morning your minute of 6 January (A083/0033) about amendments which the intelligence agencies felt it necessary to propose to the Franks Report before publication in the interests of national security.

The Prime Minister agreed that it was necessary to propose the amendments listed in the schedules to your minute in the interests of protecting and maintaining sources of intelligence and agreed that you should discuss them on this basis with Lord Franks. The Prime Minister was concerned about the scope which the Report in its original form provides for detection of sources of intelligence, and you agreed that you would inquire from Lord Franks how many copies of the report had been circulated outside Government (e.g. to members of the Review Committee) and whether the holders of these copies should be warned of their sensitivity and perhaps asked to surrender them when the printed report was available.

F.E.R.B.

7 January 1983

SECRET

Argentina: Falklands Islands Reveis
Pt 3

File

AH
CCS
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10 DOWNING STREET

THE PRIME MINISTER

CONFIDENTIAL

7 January 1983

Dear Michael,

Thank you for your letter of 6 January. Of course, I should gladly discuss with you, on a Privy Counsellor basis, the arrangements for publishing and debating the Franks Report. It may be helpful if I set out my present ideas which we can then discuss if, after considering them, you wish to do so.

The advice I have received indicates that some amendments to the report are unavoidable, on grounds of national security, before publication. My intention is that such amendments should be kept to the absolute minimum necessary; and that they should not detract in any way from the sense and substance of the report. Lord Franks is, of course, being consulted, in accordance with the undertaking in my statement on 6 July.

When the text is ready for publication, it will be printed with the aim of publishing it early in the week of Parliament's return and debating it in the following week on a date which, I suggest, should be discussed through the usual channels. Since the debate will follow so soon after publication, I envisage that substantive comment will be deferred until the debate, when Members of Parliament will have had time to study the report.

I quite understand that you, as Leader of the Opposition, should want the opportunity to study the report before publication.

AH

I hope to be able to make it available on Privy Counsellor terms to you and to the former Prime Ministers whose periods of Administration are covered by the review, rather more than twenty-four hours before publication. If you wished during that period or subsequently to have an explanation of the way in which the published version differs from the original and of the reasons for the amendments, I should be glad to arrange that.

Yours sincerely

Margaret Thatcher

The Right Honourable Michael Foot MP

covering CONFIDENTIAL

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

RDA

I attach a copy of a letter from Mr Foot and a draft reply for the Prime Minister's signature, which incorporates suggestions made by the Prime Minister.

Are you content with it ?

F.E.R.B.

As amended.

7 January 1983

RDA 7/1

HOUSE OF COMMONS
LONDON SWIA OAA

From:
Michael Foot MP

6 January 1983

Dear Prime Minister

The Falklands Report

I note that you have now received the Report of this Enquiry.

As the Enquiry was set up following discussions on Privy Councillor terms, I would welcome a discussion with you on the same basis about how it ought to be presented to the House and debated.

I should also welcome a copy of the Report, again on Privy Councillor terms, well in advance of publication so that I could study it carefully before it is published. I think the case for this is re-enforced by the fact that it covers a period of at least two Labour administrations, and I believe I ought to have an opportunity to study it and to make any enquiries that are necessary well before publication.

Michael Foot

MICHAEL FOOT

The Rt Hon Margaret Thatcher, M.P.

10 DOWNING STREET

THE PRIME MINISTER

Thank you for your letter of 6 January. Of course, I should gladly discuss with you, on a Privy Counc~~i~~ellor basis, the arrangements for publishing and debating the Franks Report. It may be helpful if I set out my present ideas which we can then discuss if, after considering them, you wish to do so.

The advice I have received indicates that some amendments to the report are unavoidable on grounds of national security before publication. My intention is that such amendments should be kept to the absolute minimum necessary; ~~to protect intelligence sources and the lives and liberties of agents~~; and that they should not detract in any ~~material~~ way from the sense and substance of the report. Lord Franks is, of course, being consulted, ~~in line as far as~~ in accordance with the undertaking ~~made clear he would be~~ undertook in my statement on 6 July. ~~but he will be.~~

When the text is ready for publication, it will be printed with the aim of publishing it early in the week of Parliament's return and debating it in the following week on a date which, I suggest, should be discussed through the usual channels. Since the debate will follow so soon, ~~I envisage that~~ after publication, ~~will be a largely formal event~~ I envisage ~~and~~ that substantive comment will be deferred until the debate, when members of Parliament will have had ~~a chance~~ time to study the report. ¶ ~~Nevertheless~~ I quite understand that you, as Leader of the Opposition, should want the opportunity to study the report before publication. ~~and~~ I hope to be able to make it available on Privy Counc~~e~~ellor terms to you and to the former Prime Ministers whose periods of Administration are covered by the review rather more than twenty-four hours before publication.

CONFIDENTIAL

If you wished during that period or subsequently to have an explanation of the way in which the published version differs from the original and of the reasons for the amendments, I should be glad to arrange that.

The Right Honourable Michael Foot MP

CONFIDENTIAL

HOUSE OF COMMONS
LONDON SWIA OAA

From:
Michael Foot MP

6 January 1983

Dear Prime Minister

The Falklands Report

I note that you have now received the Report of this Enquiry.

As the Enquiry was set up following discussions on Privy Councillor terms, I would welcome a discussion with you on the same basis about how it ought to be presented to the House and debated.

I should also welcome a copy of the Report, again on Privy Councillor terms, well in advance of publication so that I could study it carefully before it is published. I think the case for this is re-enforced by the fact that it covers a period of at least two Labour administrations, and I believe I ought to have an opportunity to study it and to make any enquiries that are necessary well before publication.

Michael Foot

MICHAEL FOOT

The Rt Hon Margaret Thatcher, M.P.

7 JAN 1983

The National Archives

LETTERCODE/SERIES PREM 19 PIECE/ITEM 955 (one piece/item number)	Date and sign
Extract/Item details: Falkland Islands. Folio 6: Minute from Armstrong to Prime Minister dated 6 January 1983, with attachments.	
CLOSED FOR .....YEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	7 February 2013 Wayland
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1. Mr. Coles - to see
2. File A.I.C. 7/1

Foreign and Commonwealth Office

London SW1A 2AH

Sir Antony Acland KCMG KCVO
Permanent Under-Secretary of State

6 January 1983

Sir Robert Armstrong GCB CVO
CABINET OFFICE

My dear Robert,

THE FRANKS REPORT

1. Robin Butler copied to me his minute to you of 4 January on the conclusions reached at the Chequers meeting on the handling of the Franks Report. I have now also seen your letter to me of 6 January about the group being set up under David Goodall's leadership to list the criticisms, comments and suggestions in the Franks Report and to prepare a reasoned commentary. I confirm that Patrick Wright and Robin Fearn will represent the FCO. I am also arranging for the preparation of the historical note on earlier enquiries for which the Prime Minister has asked.

2. One point in Robin Butler's minute which causes me concern is the proposal that we only tell the US Administration more or less simultaneously with the Report's publication here, of those parts of it which relate to US actions and attitudes before the invasion. The Report gives a detailed account of our confidential exchanges with the Americans and is at least implicitly critical of the position taken by the US Administration. It would, I think, be discourteous and could cause unnecessary problems to give the Americans no advance warning of the Report's contents. It would be preferable for our Ambassador to be able to inform them, under appropriate conditions of confidentiality, at least 24 hours before the Report is issued. Passage deleted and retained under Section 3(4). OWayland, 7 February 2013 Perhaps you would consider this.

3. I also think that arrangements should in principle be made for the Civil Commissioner in Port Stanley to receive a copy of the Report on (or as near as possible) to the date of publication. There are obvious problems in coordinating the timing of the Report's delivery to Sir R Hunt and problems too

/of

of confidentiality, but it should be possible for a copy to be sent by safe hand of someone travelling to Port Stanley to arrive at about the time of publication. You may think it right for the Cabinet Office to look into the mechanics with the Ministry of Defence.

4. Finally, I confirm that the FCO sees no need to propose any amendments to the Report, other than those which may be required by the intelligence agencies.

5. I am copying this letter to Clive Whitmore.and Robin Butler.

Yours ever

Antony

Antony Acland

P.S. I'm already have in mind the factual correction to the membership of the JIC (para 14 of Annex B).

10 DOWNING STREET

Pl. also send a blind copy to Sir R. Armstrong

The National Archives

LETTERCODE/SERIES PREM 19 PIECE/ITEM 955 (one piece/item number)	Date and sign
Extract/Item details: Letter from Butler to Moore dated 6 January 1983	
CLOSED FOR 40 YEARS UNDER FOI EXEMPTION	29 May 2013 CWayland
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
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MISSING	
NUMBER NOT USED	

Subject ✓ Master Secret

5a

Points which emerged from a conversation with Lord Barber on 6.1.83.

Pl. file

FERB

Argentina Review

Aide Memoire of important points in the final chapter of the Franks Report

Paragraph 262:

This is a very significant paragraph, indicating that there was no information about the Argentine decision to invade the Falklands for the Intelligence or other agencies to pick up.

Paragraph 265:

In dealing with allegations that the Government was warned that an invasion in early April was likely, it is significant that all of those who gave evidence to the Committee, including the British Ambassador in Buenos Aires and other Embassy staff, stated categorically that they did not expect it.

Paragraph 270:

Note that all Governments since 1966 had been prepared to negotiate over sovereignty - compare particularly Dr. Owen's statement quoted in paragraph 60.

Paragraph 278:

Lists a series of "signals" to the Argentines of reducing British commitments in the South Atlantic - useful in dealing with criticisms of withdrawal of ENDURANCE. Note also the statement that successive Governments had accepted that the islands could not be defended against sudden invasion.

Paragraph 279:

A useful reference to occupation of Southern Thule as a "signal".

Paragraph 280:

References to previous Governments' decisions to continue arms sales and not to implement some of the recommendations of Lord Shackleton's 1976 Report also useful examples of "signals".

Paragraph 283:

Secret

Paragraph 283:

Brings out that the dilemma faced by the present Government had been shared by successive Governments.

Paragraph 287

Acknowledges Committee's recognition of limited value of ENDURANCE, also described as only "symbolic". Compare with paragraph 44 indicating that previous Governments had also announced decisions to withdraw ENDURANCE.

Paragraph 290:

Worth noting that, although the Committee say that "the Government were in a posiiton of weakness", and that the effect of Lord Carrington's decision was to pass the initiative to the Argentine Government, they do not say that this was necessarily a bad thing. They record in the previous paragraph Lord Carrington's view that it was the best diplomatic tactic in the circumstances, a view which could be sustained.

Paragraph 291:

The statement that policy towards Argentina and the Falkland Islands was never formally discussed outside the Foreign and Commonwealth Office after January 1981 could be focus of criticism. One answer was that it was not worth having a discussion unless there were decisions to take; and what change of policy could have been decided on?

Paragraph 294:

A very useful paragraph giving three reasons in justifying FCO belief that Argentines would not move to confrontation so early. Compare with paragraphs 73/76 which support them in detail.

Paragraph 295:

Secret

Paragraph 295

Absence of military contingency planning more difficult to deal with than civil contingency planning in view of paragraph 113 indicating that there was some MOD anxiety about lack of detailed contingency plans, and that they were waiting for a meeting of OD - also the regret in paragraph 303 that the Prime Minister's inquiries about contingency planning did not receive a prompt response. Answer by reference to technical meaning of "contingency planning" in paragraph 109; also that it was wrong to regard such an exercise as dependent on an OD discussion; and acknowledgement by the Committee that it did not affect the outcome.

Paragraph 296:

References to FCO's "misjudgement" are all qualified by the introductory sentence that the view was one which could reasonably be taken in the light of all the circumstances at the time.

Paragraph 304:

NB: Reference to Argentina and Falklands being "in a relatively low category" for intelligence collection masks the fact that it was in the lowest category.

Paragraph 306:

An important category indicating that Ministers and officials were guided by the last intelligence assessment made, summarised in more detail in paragraphs 94 and 95. (Compare paragraph 316 - "we do not regard the view taken by those concerned of a need for a new assessment as unreasonable in the light of the information available to them at the time").

Paragraph 314:

Important paragraph for defending Ministers and senior officials since Committee says that, even with hindsight, it believed intelligence was accurate.

Paragraphs 326-328

Secret

Paragraphs 326-328:

Important in disposing of the idea that the Government could have deterred invasion by despatching Task Force.

Paragraph 333:

President Reagan's reference to "Causus Belli" important since it was a stronger warning that the Prime Minister's statement that "Government could not acquiesce".

Paragraph 336:

Important statement that report cannot be selectively quoted.

ANNEX A

Paragraph 3:

Phrasing of the last sentence is important since it saves the Government from having to accuse either press or British Embassy of a falsehood.

Paragraph 5:

Last sentence very important since Mr. Callaghan was among those who gave evidence.

EARLIER PART OF THE REPORT

Paragraph 125:

Important that "confrontation" does not necessarily mean military confrontation.

Paragraph 131:

The intelligence report is important in rebutting criticisms of the Government discounting press reports - the Government had reason to think that they were inspired as part of the campaign.

Pl. file

10 DOWNING STREET

Yes - please do so
[illegible]

Prime Minister

Frankie

Mr. Whitelaw has now read the report

Passage deleted and closed, 40 years, under FOI Exemption. CWayland, 29 May 2013

My thought about Mr. Ridley was that you might prefer not to see him in the immediate aftermath of the reshuffle. If so, I could ~~but I could~~ easily go across to see him on your behalf. But would you like me to arrange for him to come in for a few minutes tomorrow (Friday)?

FERB

10 DOWNING STREET

From the Principal Private Secretary

Agreed MT

PRIME MINISTER

FRANKS

I have had a message that Mr. Whitelaw was asking when he would see a copy of the report;

Passages deleted and closed, 60 years, under FOI Exemptions.

DAWayland
29 May 2013

Do you agree that I should give Mr. Whitelaw a strictly personal copy and

You were going to reassure Mr. Ridley. Have you been able to do so? If not and you would find it difficult to talk to him on

No MT

the telephone, would you like me to go round to see him?

He can come in for a few moments mr.

FERB

5.1.

Zc AH
cc Mr Coles

10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

THE FRANKS REPORT

Further to my minute of yesterday, I should let you know that Sir Tom McCaffrey telephoned me this morning, making two points:-

i) He asked whether the Leader of the Opposition would be given advance access to the report. I said that the Prime Minister proposed that he should, probably on the morning of publication. Sir Tom took note of this, merely commenting that Mr Foot would like as long notice as possible.

ii) Sir Tom asked whether it was the Prime Minister's intention to consult Mr Foot about deletions to be made from the report on security grounds. I said that it was the Prime Minister's wish to amend the report as little as possible, and only to the extent which was necessary to protect an intelligence source. The amendments would be agreed with Lord Franks. I said that I thought that the Prime Minister would be willing to give Mr Foot access to the report in its original form if necessary, but, provided that the amendments were as limited as I had described, I wondered whether Mr Foot would think it necessary. Sir Tom thought that if he put the point to Mr Foot, Mr Foot would probably prefer to see the report in its original form, and we agreed that he should not do so until I had spoken to Sir Tom again when I knew more about the amendments likely to be made. Sir Tom said that he would be going on holiday for two weeks from tomorrow (Thursday) evening and that it would be very helpful if I could speak to him again before then. Could we have a word before tomorrow evening about what I might say to Sir Tom on this point ?

Checking our papers, I find that it is our custom to distribute statements in advance to the Liberals, the SDP, the Leader of the Ulster Unionists and (if the statement applies to Scotland) the Leader of the Scottish National Party. I also find

AH

that the leaders of these parties were consulted by the Prime Minister before she set up the Franks inquiry. This would point to making the Franks report available on the morning of publication to Mr Molyneaux (or Mr Powell if it is thought preferable to keep the matter on a Privy Counsellor basis) and to Mr Donald Stewart as well as to Mr Foot, Mr Steel and Dr Owen. Do you agree that we should recommend this to the Prime Minister?

F.E.R.B.

5 January 1983

SUBJECT

cc Master

ccs FCO MOD Milnham

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG
CABINET OFFICE

The Franks Report

This minute summarises the decisions on handling of the Franks Report which the Prime Minister made at her meeting at Chequers today attended by the Secretary of State for Defence, Lord Carrington, Sir Antony Acland, Mr. Whitmore and yourself.

The Prime Minister authorised you to consult Lord Franks on amendments which needed to be made for reasons of national security before the Report was published, and to report back to her by the end of this week. You told the Prime Minister that such amendments would be changes in wording only which would not detract from the sense or substance of the Report and would be limited to those which were essential to protecting an intelligence source. The Prime Minister hopes that Lord Franks will agree to a statement, which she can quote, that the amendments made have not affected the sense or substance of the Report in any significant way. The Prime Minister also said that she would be willing, if necessary, to show the Leader of the Opposition the Report in its original form on a Privy Counsellor basis.

The Prime Minister agreed that publication should be planned for Tuesday 18 January accompanied by a short oral statement by her in the House of Commons. She asked you to prepare a draft of such a statement, which she would like to consider on Thursday 13 January. The statement should quote verbatim the final paragraph of the Report. The Prime Minister instructed that advance copies of the Report should be made available to Sir Harold Wilson, Mr. Heath, Mr. Callaghan, the Leader of the Opposition, the Leaders of the Liberal and Social Democratic Parties, Mr. Atkins, Mr. Luce and Mr. Nicholas Ridley at 9 a.m. on Tuesday 18 January. Lord Lewin, Sir Michael Palliser and Sir Frank Cooper should also be given access to the Report on the morning of publication. The Ambassador to Washington should be instructed to make an appointment at 9 a.m. local time in Washington on Tuesday 18 January to tell the American Government about the references to them in the Report.

B/F

Passage deleted and retained under Section 3(4)
O Wayland. 7 February 2013

On Press handling on Tuesday 18 January, the Prime Minister decided that no advance copies should be made available to the Press before publication. No Press Summary needed to be issued

PERSONAL AND CONFIDENTIAL /apart

apart from the Prime Minister's own statement. Lord Carrington and Mr Nott would accept invitations to give radio and television interviews. The arrangements for handling the Lobby should be discussed further with the Chief Press Secretary at No 10.

The Prime Minister has considered further whether, in view of the imminent publication of the Franks Report, she should go ahead with the projected interview on "Weekend World" on Sunday 16 January: her present inclination is to do so.

The Prime Minister also asked you, in consultation with Sir Antony Acland and Mr Whitmore, to prepare a full list of criticisms in the Report, together with a reasoned reply to each. The Prime Minister would be grateful if Sir Antony Acland could prepare an historical note on which major episodes in our international relations in the present century have and have not been the subject of subsequent inquiries.

The Prime Minister asked you, drawing on this material, to start preparing an outline for her speeches in the House of Commons debate. She will want in her opening speech to bring out the point that the composition and terms of reference of the Franks Inquiry were agreed with the Leaders of the other major parties and then to go through the area covered by the Report, following the Report's structure. The timing and length of the debate on the Report will need to be discussed with the Opposition through the usual channels: the Prime Minister was inclined to think that, if the Opposition wanted a two day debate, they might be asked to contribute a Supply Day for the second day.

I am copying this minute to Sir Antony Acland, Mr Whitmore and Mr Ingham.

F.E.R.B.

4 January 1983

ARGENTINA

Pl. file

FALKLAND ISLANDS REVIEW COMMITTEE

Old Admiralty Building
Whitehall, London, SW1A 2AZ

Telephone 01-273

Chairman: Lord Franks OM GCMG KCB CBE PC
Secretary: A R Rawsthorne (01-273 5106)

The Rt Hon Margaret Thatcher, MP 31 December, 1981.

Dear Prime Minister,

On 6 July 1982 you announced the Government's decision to set up a Falkland Islands review under my chairmanship. In your speech in the House of Commons on 8 July on a motion to approve this decision, you said that the review needed to be carried out as quickly as possible and expressed the hope that it could be completed within six months.

I am happy to say that the Committee has been able to complete its work in just under six months, and I submit its unanimous report.

Yours sincerely

Franks

(Franks)

5

NOTE FOR THE RECORD

cc:- Mr Coles o.r.

FRANKS ENQUIRY

Lord Carrington was recalled before the Franks Committee on 29 December and afterwards came in to de-brief the Prime Minister. He had received a letter from Lord Franks containing five "provisional judgements" of the Committee on which he had been invited to comment in case they should be interpreted as critical of the actions of himself when the report was published. He showed the Prime Minister, and myself the letter, and the sense of the points in it, as I recall them, were as follows:-

(i) he did not resist the decision to withdraw 'Endurance' as vigorously as he might have done in the light of developments in the situation in the Autumn of 1981;

(ii) at a Foreign Office meeting on (?) 7 September, he did not agree to Mr Ridley's proposal for a campaign of education in the Falklands to promote the idea of lease-back;

(iii) at the same meeting, he decided to invite Sr. Camilion at their meeting in New York to make proposals for settling the dispute; thus passing the intiative to the Argentines;

(iv) at the same meeting he did not authorise circulation to OD of a draft paper prepared by the Foreign Office.

(v) On 5 March in the light of the information he had then received, it might have been better if he had considered physical measures of deterrence to the Argentines, not just diplomatic steps.

Lord Carrington said that only Lord Franks had spoken at the hearing. He (Lord Franks) had responded vigorously and, in his words, his manner had been "pretty wintery". He had asked Lord Franks on the way into the meeting whether he was the only one to be

/criticised,

criticised, and Lord Franks said that he was the only person to be mentioned by name. Lord Carrington thought that not only were the points put to him misconceived but also that it would be very unfair if he was the only person to be criticised. He said that he had put these points forcefully to the Committee.

The Prime Minister said to me, after Lord Carrington left, that she thought we ought to show the report to Lord Carrington in confidence as soon as it was received, rather than waiting until 48 hours before publication.

T.E.R.B.

29 December, 1982

2:6 A14

10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

THE FRANKS REPORT

The Prime Minister was grateful for your minute of 20 December (A082/0578) about the proposed arrangements surrounding receipt and publication of the Franks Report.

The Prime Minister is generally content with the proposed arrangements. She has commented that we ought to give Lord Carrington, Mr Atkins and Mr Luce somewhat longer notice of the report, and I understand that the Foreign and Commonwealth Secretary has taken the same point, suggesting that they might be given the report as long as forty-eight hours before. Could you please consider this point.

F.E.R.B.

23 December 1982

Personal and confidential

MT

From the Secretary of the Cabinet

Mr Butler

We do not now expect the Franks Report to be delivered before 31 December, and perhaps not until the week beginning 3 January.

RTA

22. xii. 82

Plus Hilton.

mid-afternoon
today - handling/dist. etc.

31 December 1982

FALKLAND ISLANDS REVIEW COMMITTEE

The Falkland Islands Review Committee has today submitted its unanimous report to the Prime Minister. Publication is a matter for the Prime Minister. The Committee does not intend to make any further statement at this stage.

Press Office
Management and Personnel Office
Old Admiralty Building
WHITEHALL
London
SW1A 2AZ

Tel: 01-273 4002 and 273 3283

Falkland Islands Review

3.57 pm

The Prime Minister (Mrs. Margaret Thatcher): I beg to move,

That this House approves the decision of Her Majesty's Government to set up a Falkland Islands review as announced by the Prime Minister in her reply to a Question by the right honourable Gentleman, the Leader of the Opposition, on 6th July 1982.

Mr. Speaker: I have not selected any amendments.

The Prime Minister: As early as 8 April, I announced in reply to the right hon. Member for Orkney and Shetland (Mr. Grimond) that there would be a review of the way in which the Government Departments concerned had discharged their responsibilities in the period leading up to the invasion of the Falkland Islands.

Since then, although a few have argued that it is not necessary, there is widespread agreement that a review of some sort should be conducted and that there should be prior consultation with the Leader of the Opposition and the leaders of other opposition parties in the House who are Privy Councillors. It would be fair to say that the consultations led to broad agreement on the nature, scope and composition of the review.

Accordingly, I set out the form of the review and its terms of reference in my reply of Tuesday to the Leader of the Opposition, and I welcome the opportunity to explain to the House today the reasons why the Government have decided to appoint a Committee of six Privy Councillors to conduct the review and to give it the terms of reference set out in my answer to the right hon. Gentleman.

I wish to deal in turn with the nature of the review, its scope and its composition. As to its nature, the overriding considerations are that it should be independent, that it should command confidence, that its members should have access to all relevant papers and persons and that it should complete its work speedily. Those four considerations taken together led naturally to a Committee of Privy Councillors. Such a Committee has one great advantage over other forms of inquiry. As it conducts its deliberations in private and its members are all Privy Councillors, there need be no reservations about providing it with all the relevant evidence—including much that is highly sensitive—subject to safeguards upon its use and publication.

A Committee of Privy Councillors can be authorised to see relevant departmental documents, Cabinet and Cabinet Committee memoranda and minutes, and intelligence assessments and reports, all on Privy Councillor terms. Many of these documents could not be made available to a tribunal of inquiry, a Select Committee or a Royal Commission.

The Committee will also be able to take evidence from any Ministers or officials whom it wishes to see, and I hope that former Ministers or officials and others who may be invited to assist the Committee will think it right to do so.

There are several precedents for a Government setting up a Committee of Privy Councillors to look into matters where the functioning of the Government has been called in question and sensitive information and issues are involved.

I will refer to just one. A conference of Privy Councillors was established in November 1955 to examine security procedures in the public services as a result of the defection of Burgess and Maclean. The results of the inquiry were reported to the House by the then Prime Minister on 8 March 1956, although he stated that it would not be in the public interest to publish the full text of the report or to make known all its recommendations.

In the case of the present review, information made available to the Committee whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom will need to be protected. The Government will therefore suggest to the Committee that it should seek to avoid including any such information in its main report which is to be published, and that, if it needs to draw conclusions or make recommendations which, if published, would entail the disclosure of such information, it should submit them to the Government in a confidential annex which will not be published.

In the last resort the Government must retain the right to delete from the Committee's report before publication any material whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom. But I very much hope that the arrangements that I have just described will make it unnecessary for the Government to do that. However, should it be necessary I can give the House the following assurances.

First, the Government will make no deletions save strictly on the grounds of protecting national security or international relations. Secondly, Ministers will consider any proposals for deletions individually and critically and will accept such proposals only on the grounds I have specified. Thirdly, the Chairman of the Committee will be consulted if any deletions have to be proposed. The fact that the Committee would know what deletions had been made from its report offers the best assurance to those who might believe that the Government would try to make unjustified deletions.

Nevertheless, I repeat that it is the Government's aim to present to Parliament the report of the Committee in full.

So much for the nature of the review.

I turn now to its scope. First, geographically, it includes the dependencies—that is, South Georgia and the South Sandwich Islands. Secondly, the review will be directed to the events leading up to the Argentine invasion of the Falkland Islands on 2 April. If these events are to be fairly viewed, they must be seen against the background of negotiations, actions, intelligence and other assessments over the years. For that reason the terms of reference given to the Committee empower it to take account of all such factors in previous years as are relevant.

For this purpose the Committee will need to have access to any relevant documents of previous Administrations, as well as to documents of the present Administration. I have consulted Mr. Harold Macmillan, my noble Friend Lord Home, the right hon. Member for Huyton (Sir H. Wilson), my right hon. Friend the Member for Sidcup (Mr. Heath) and the right hon. Member for Cardiff, South-East (Mr. Callaghan), and they have agreed that the Committee should have access to the relevant documents of their Administrations, subject to the following conventions, which are consistent with what has been done in the past.

First, documents will be made available to members of the Committee by virtue of their being Privy Councillors and solely for the purposes of this review.

Secondly, any member of a previous Administration who is invited to give evidence to the Committee will be able to exercise his normal right to see documents which he saw as a member of that Administration.

Thirdly, serving and former officials and members of the Armed Forces invited to give evidence to the Committee will be able to see documents which they saw as advisers to Ministers on matters covered by the review.

Fourthly, documents of previous Administrations will not be disclosed to members of the present Administration or to any other persons not entitled to see them.

Fifthly, documents made available to the Committee, and any copies made of those documents for the use of members of the Committee, will be returned to the Departments from which they came as soon as they are no longer required for the purposes of the Committee's review.

Sixthly, it is understood that the Committee may need to describe in its report the gist or purport of documents made available to it, so far as that can be done consistently with the protection of national security and the international relations of the United Kingdom. But no part of Cabinet or Cabinet Committee documents or other documents which carry a security classification may be reproduced in the Committee's report or otherwise published without the agreement of the Government and and that of the former Prime Minister of the Administration concerned.

So that there is absolutely no misunderstanding on this point, I repeat that no member of the present Government can or will see any documents of any previous Administration, unless he or she, himself or herself, was a member of such an Administration and is entitled for that reason to see those papers.

There is one other procedural matter on which I should say a few words. Although it will be for the Committee itself to determine its own procedure, it will be suggested to the Chairman that should the Committee wish to criticise any individual, it should, before incorporating that criticism in its report, give the person concerned details of the criticism, and an opportunity to make representations, orally or in writing. At that stage the Committee would have to decide whether to allow the individual concerned to be legally represented.

Even though the review will be conducted in private, it is important that individuals should not be inhibited in giving evidence to the Committee through fears of making themselves vulnerable to criticism which they may think unjustified and which they might not be given an opportunity of rebutting before the Committee.

Mr. Tam Dalyell (West Lothian): The Prime Minister has outlined a massive amount of work for the Committee. Will she tell us about its staff? Are they to be drawn exclusively from the Cabinet Office and the Civil Service, or may members of the staff be brought in from outside?

The Prime Minister: The staff of the Committee are being provided under the leadership of the Home Office. The Home Office civil servants have not been connected either with Foreign Office work or with Ministry of Defence work, but they have been accustomed to handling intelligence. It seems right and proper to make arrangements for them to provide the secretarial assistance to the Committee.

Finally, I turn to the composition of the review—the membership of the Committee.

Mr. Andrew Faulds (Warley, East) *rose*——

The Prime Minister: I shall, with your permission, Mr. Speaker, be replying to the debate this evening and will hope then to answer any questions that have arisen. Does the hon. Gentleman still wish to persist?

Mr. Faulds: Is it intended that the inquiry should be free to examine the political advisability of the Prime Minister's recent exercise in the South Atlantic? That is very important.

The Prime Minister: The Committee will act within its terms of reference as it construes them. The terms of reference are:

"To review the way in which the responsibilities of Government in relation to the Falkland Islands and their dependencies were discharged in the period leading up to the Argentine invasion of the Falkland Islands on 2 April 1982, taking account of all such factors in previous years as are relevant; and to report."

Judging by te distinction ot those who have agreed to serve on the review, I think that we can leave them to interpret the terms of reference as they think best fitted to the discharge of their duties.

I come to the membership of the Committee. As I announced in my reply to the right hon. Gentleman on Tuesday, Lord Franks has agreed to be the Chairman. I know that that choice is acceptable and indeed welcome to those whom I have consulted. Lord Franks will bring an unrivalled breadth of experience to the work of his Committee, and we are fortunate that he is ready to take on the task.

As I also announced on Tuesday, the other members of the Committee will be my noble Friend Lord Barber, Lord Lever of Manchester, Sir Patrick Nairne, the right hon. Member for Leeds, South (Mr. Rees) and my noble Friend Lord Watkinson. The Queen has been graciously pleased to approve that Sir Patrick Nairne be sworn a member of Her Majesty's Privy Council. The right hon. Gentleman the Leader of the Opposition proposed the names of the right hon. Member for Leeds, South and Lord Lever. I hope that the House will share my view that a Committee with this membership gives us the best possible assurance that the review will be carried out with independence and integrity.

Mr. Dick Douglas (Dunfermline): Does the right hon. Lady agree that there might be an outside impression that this coterie is comfortable, conservative and clubable, as there is no female member on the Committee? Do only males understand war and its events? Why does not the right hon. Lady appoint someone suitable from her own sex to the Privy Council such as Mary Goldring, who might bring in an outside view, away from the claustrophobic atmosphere of Westminster and Whitehall?

The Prime Minister: All those concerned with choosing those who should be on the Committee have been anxious to select people who have the right experience, sagacity and integrity to conduct the review. I believe that that is how it will be seen outside.

Mr. Dalyell *rose*——

Mr. Speaker: Order. The hon. Gentleman must not keep interrupting. The Prime Minister has not given way, as far as I know. Is the Prime Minister giving way?

Mr. Bob Cryer (Keighley): Of course she is.

Mr. Speaker: Order. The Prime Minister can speak for herself.

Mr. Dalyell: The Prime Minister is a lawyer. Is there not a case for having either an international lawyer or a Queen's Counsel on the Committee? Is there not a case for having someone representing the view of what one might call the awkward squad?

The Prime Minister: My noble Friend Lord Barber is a distinguished lawyer, who practised for many years. Lord Lever is also a barrister. They will be well able to sift the facts from the opinions and to make a judgment upon the evidence and not upon the imagination.

The Committee must be given the time it needs to carry out its work thoroughly. But the review also needs to be completed as quickly as possible, and it is my hope that it can be completed within six months.

I have confined my comments to the setting up of the review, because that is the subject of the motion. We are not concerned today with the substance of the events that led up to the invasion of the Falkland Islands. That is for the review itself and for the debate that will follow publication of the Committee's Report. I hope that hon. Members will welcome the review, and I commend the motion to the House.

4.14 pm

Mr. Michael Foot (Ebbw Vale): Since a review of the matter that we are debating was first raised in the House and outside, the Opposition have taken a view about the way in which it should be approached. We have believed from the beginning that there should be an inquiry or a review. We have believed that it should be directed predominately to the events leading to the invasion at the beginning of April. We have believed that it should be reasonably swift in making its report to the House and the country. We have believed that the review must be likely to secure general support in the House. In particular, we have believed that the House should support the way in which the final publication of the review is to be made.

I shall respond to the Prime Minister's remarks. I shall say how far we think those requirements that we have always thought to be right have been fulfilled and how far we may proceed along those lines. The House would be wise to accept the Government's motion, and I shall give the reasons.

Major constitutional questions are involved in the establishment of a Committee of this nature. If in any quarter of the House there were any doubt on such a point, the possibility of misunderstanding was removed by the intervention of the right hon. Member for Sidcup (Mr. Heath) a few days ago when he gave a fine display of his customary perception and bonhommie. In the manner in which he presented his case he showed that there was an inmportant background to such reviews and that we should examine it carefully. In the main, I agree with what the right hon. Gentleman implied in his intervention. Important constitutional matters are involved. I do not seek to minimise them. The speech by the Prime Minister showed that she, too, accepted the importance of those constitutional questions.

There is the question of rummaging in the pigeon holes and other places where the work and deliberations of previous Governments may be found. I agree with what the right hon. Member for Sidcup implied. It would be an inhibition to good Government if every incoming Administration were to spend considerable time examining what the previous Administration did, with special access to matters that the previous Administration had been most eager to keep quiet. That would not assist the processes of good Government, although I know that some people think that that would be advantageous. In centuries gone by that was the practice of British Governments.

At the beginning of the eighteenth century incoming Governments spent a considerable part of the beginning of their period in office drawing up the measures of impeachment or Bills of attainder that they wished to make against their predecessors. No doubt they had good grounds to do so. I am not saying that any such possibilities have evaporated now.

In the early part of the eighteenth century a great barrier was placed against the way in which the Government conducted their affairs. Over a period, particularly in this century, not by any precise enactment—that does not make it any worse under our constitution—but by the general usage of Cabinet Government, there grew up the practice that Governments should not have access to the documents of their predecessors. That is a good rule. If it is to be abandoned, it should be done so only if there is a clear statement of proceedings, in circumstances that are fully understood.

There remains the issue that the right hon. Member for Sidcup underlined in his intervention—ministerial responsibility in these matters. If the proceedings of previous Goverments are ransacked, ministerial responsibility to the House will be injured. I strongly favour sustaining ministerial responsibility. It is essential to parliamentary Government. Ministers should not be allowed to shelter behind the claim that civil servants have offered them incorrect advice. They should take absolute responsibility for what they say. That principle could be injured if matters are not dealt with in the scrupulous way that the right hon. Gentleman suggested.

Civil Service responsibility may arise in the inquiry. Civil servants are not necessarily absolved from the advice that they give. Ministers who accept advice must take responsibility for it, but, in an incident such as this, it is right that the advice, suggestions and propositions about a course of action that a civil servant may have suggested should be examined. I do not refer to civil servants in any one Department, although I noticed that the Prime Minister was diffident about clearing the Foreign Office a little earlier. I hope that she will be a little more generous as we proceed.—[SEVERAL HON. MEMBERS: "Why?"]—Because I favour being generous to everyone if I can—even the Foreign Office.

We are debating a matter of great concern to the whole country, as was demonstrated by the debates on 2 and 3 April. We are concerned to a considerable extent about the type of intelligence that was provided for the Government and what judgment was made on it by both Ministers and civil servants. There is no absolution for Ministers in the proposed inquiry. If we are to use any information that may be discovered about the failures of the intelligence service, it will involve civil servants. The matter must be examined. It is one of the central features of such an inquiry.

Q16. **Mr. Christopher Price** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q17. **Mr. Whitney** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q18. **Mr. Cryer** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q19. **Mr. Tilley** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q22. **Mr. Pitt** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q23. **Mr. Home Robertson** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q24. **Mr. Hardy** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q25. **Mr. Greenway** asked the Prime Minister if she will list her official engagements for 19 October.

Q27. **Mr. Skinner** asked the Prime Minister if she will list her official engagements for 19 October.

Q28. **Mr. Brotherton** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q29. **Mr. Tom Clarke** asked the Prime Minister if she will list her official engagements for 19 October.

Q30. **Mr. Cook** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q31. **Mr. Ray Powell** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q32. **Mr. Beith** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q33. **Mr. Geraint Howells** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q34. **Mr. Newens** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q35. **Mr. Duffy** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q36. **Mr. Lofthouse** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Q37. **Mr. Geoffrey Robinson** asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

Mr. Gwilym Roberts asked the Prime Minister if she will list her official engagements for Tuesday 19 October.

The Prime Minister: This morning I had meetings with ministerial colleagues and others, including one with the Chief of the Defence Staff. In addition to my duties in the House I shall be having talks with the Chancellor of the Federal Republic of Germany.

Falkland Islands

Q9. **Mr. Dalyell** asked the Prime Minister when she now expects the Franks committee on the Falklands to report.

The Prime Minister: At this stage I cannot say when it will report, but I continue to hope that the report can be completed within six months from the date on which it began its work.

Q13. **Mr. Ioan Evans** asked the Prime Minister when she intends to publish the report on the inquiry relating to the Falkland Islands.

The Prime Minister: Until the Committee of Privy Counsellors has reported, no date for publication can be fixed. It remains my hope that its report will be completed within six months from the date on which it began its work.

Q20. **Mr. Latham** asked the Prime Minister whether she will make a statement on the latest progress in reconstruction on the Falkland Islands.

The Prime Minister: My hon. Friend the Minister of State, Foreign and Commonwealth Office, the hon. Member for Woking (Mr. Onslow), visited the islands earlier this month to review the situation. Considerable progress has been achieved but many problems remain. About £8.5 million has been committed from the initial rehabilitation allocation of £10 million.

Much has been done to restore essential services. The power station is in full operation and can meet the demands of Port Stanley. Preparations are in hand to install a new generator. The water filtration plant is also just meeting demands and extra pumps are on order. As regards mines, the area of Stanley common has been cleared and the Stanley to Darwin road is open. Other mined areas have been fenced off and clearly marked. A map showing progress with mine clearance is regularly revised and made available to the civil population.

The present airport has been repaired and extended so that regular supplies of urgent reconstruction material can be delivered by Hercules flights. The runway has been extended to 6,100 feet and can also now be used by Phantom aircraft.

Large quantities of building materials are being ordered and shipped. They are being used to repair private and Government-owned houses which were damaged during the occupation, and will also be used to repair public buildings. A project for 54 new houses has been launched to replace homes destroyed during the occupation and to house additional personnel attached to the Falkland Islands Government.

Replacement vehicles and plant for various departments of the Falkland Islands Government have been ordered and shipped. Large consignments of solid fuel, kerosene, gas and aviation fuel have been sent to the islands. Three replacement aircraft for the islands' internal air service have been shipped. Thirty-four additional personnel for the Falkland Islands Government have been recruited.

Longer term rehabilitation requirements, such as the more permanent restoration and expansion of water, power, sewerage and road systems, and the harbour facilities and internal communications, are now being actively considered.

Scotland

Q12. **Mr. Strang** asked the Prime Minister if she has any plans to visit Scotland.

The Prime Minister: I hope to do so later this year.

Prime Minister
You discussed the gist of this with Sir Robert Armstrong this evening. It is a great pity that the Committee have decided not to provide an informal opportunity for Sir R. Armstrong to advise them on matters of fact or national security.
F.E.R.B.
20.12.

Ref: A082/0578

PERSONAL AND CONFIDENTIAL

PRIME MINISTER

MT

The Franks Report

It is still expected that the Report will be delivered by the end of the year, and perhaps even just before Christmas. I understand that the Franks Committee have it in mind that they will let it be known that they have delivered the Report.

This is probably the best course: it would leak anyway.

2. I have been discussing the subsequent arrangements with Sir Antony Acland and Sir Frank Cooper, and what follows is agreed with them.

3. It would in any case be difficult to publish the Report before the House of Commons resumes on 17th January. We think that it would be preferable that it should be published during the first week after the recess. I imagine that you will want to make a statement, the contents of which will depend upon what the Report says. There would be something to be said for postponing the statement until Thursday, 20th January, but I do not suppose that the House of Commons will want to wait that long, and you may think that it would be better to publish on Tuesday, 18th January.

4. I think that this is a case in which no copies should be released to the Press ahead of publication: the Report should be published at 4.00 pm on the day of publication, with copies available in the Vote Office when you sit down.

5. There will of course be intense Press interest in the Report, and reporters will be wanting to question Lord Carrington, Mr. Atkins and Mr. Luce. It will be a kindness to let them have copies a few hours in advance of publication: perhaps at 10.00 am on the day of publication — or the evening before.

Agreed MT
?
Plus Mr. Knott, on the assumption that he is no longer Secretary of State for Defence (unless he is still Secretary of State for Defence when you receive the report)

6. We have considered whether advance copies should go to anyone else, for instance Mr. Ridley; or members of previous Administrations. On balance, we think that it had better stop at the Foreign Office Ministers who resigned at the beginning of April.

7. I suggest that copies should be circulated to the Cabinet about one hour before publication.

PERSONAL AND CONFIDENTIAL

8. When you receive the Report, I imagine that you will want to let the Foreign and Commonwealth Secretary and the Secretary of State for Defence see copies on a strictly personal basis. I hope that you will agree that copies should also be made available to me, Sir Antony Acland and Sir Frank Cooper or Mr Whitmore, again on a personal basis.

Agreed MT

9. We shall read it through, to see whether there are any passages whose amendment or deletion we need to suggest on grounds of national security or prejudice to international relations. Though the Committee and its secretariat will, I am sure, have sought to avoid the necessity for such deletions, they do not have the experience which would enable us to be confident that they have succeeded in doing so; and they are not willing to show more than a very few selected extracts to anyone in Government in advance of delivery. It seems likely that they will inadvertently include passages which need to be amended or deleted, in order to protect sources or for some other reason.

10. At Lord Franks's request I set out the reasons why the Government does not avow the existence of the Joint Intelligence Committee (JIC) and the assessments staff. I fear, however, that the Committee are likely to include in their Report explicit references to the JIC and the assessments staff, and some account of how they work. We shall have to consider whether the Report has to be amended so as to remove those references.

11. There is some reason to believe that the Report will not refer in terms to the SIS or to the SIGINT role of GCHQ.

12. The Report will have in any case to be scrutinised for factual accuracy, since when the Report is published, the Government will need to draw attention to any passages whose accuracy it disputes. We have considered whether we should report any factual inaccuracies we find to the Committee, so that they can consider whether they wish to amend the Report. We have come to the conclusion that as a matter of principle we should not do so, since the Government should not accept responsiblity for the accuracy of the Report. Nonetheless, if we light upon any particularly glaring and obvious factual

inaccuracies, I propose to let the Secretary know privately and informally, so that he can tell Lord Franks and they can consider what if anything they want to do about them. If we can avoid major disagreements with the Committee on matters of fact, that will be preferable.

RTA

ROBERT ARMSTRONG

20 December 1982

CONFIDENTIAL

NOTE: only the covering minute was copied to RI

Pl. file on Franks file

Mr Ingham

Mr Butler

I am happy with points A, B (essential), C (cf 330 or when PM sets down after statement?). D; I would prefer no Franks press conference, though we can't stop him. I assume he will NOT do radio or TV. We need to take a view on whether to have a new Secy of State for Defence instead of Armstrong, after I had reported to the PM what you told me. Armstrong, as D. Hym, I would well as D. Hym, I would work to concentrate FCO b/f. NOT no longer wanted.

Ref. A082/0432

MR COLVIN

cc Sir Antony Duff
Mr Goodall

Franks Committee

Thank you for your minute of 7 December.

2. As you say, I am in touch with Lord Franks about the treatment in the Franks Committee's report of the Whitehall intelligence apparatus. I have asked for comments on a draft letter, a copy of which I attach (not attached)

3. I have also had some discussion with Lord Franks about the arrangements for scrutiny, publication and press handling.

4. I think that we should assume that the Government will want to be in a position to publish the report with the minimum of delay after it has been submitted, and to make a statement on the day of publication. It will be important to avoid leaks during the period between submission and publication. Arrangements for printing will have to take account of that need. I understand that the report is likely to be about 165 double-spaced foolscap pages long. I think that it would now be appropriate for you to discover how long such a report would take to print, and how best to print it in proper security conditions. I should be grateful if you could find out in particular whether, if the report was submitted to the Prime Minister by 31 December, it would be possible to print it in time for publication on Tuesday 18 January.

A B C. 330

5. As to scrutiny for possible deletions, I think that this will have to be in the hands of the Secretary of the Cabinet and the Permanent Under Secretaries of State at the Foreign and Commonwealth Office and the Ministry of Defence. These people will need to have copies as soon as the report is available; and I will write to my two colleagues and ask them to scrutinise it without delay. I very much hope that it will in practice be possible to avoid any deletions. If we have to recommend any, I would propose to submit them to the Prime Minister, with copies to the Secretaries of State for Foreign and Commonwealth Affairs and Defence.

CONFIDENTIAL

D E F G H

6. I think that this report will have to be published without any prior release under embargo. I envisage the Prime Minister making a statement after Questions on a Tuesday or a Thursday, and copies of the report being available in the Vote Office when she sits down. I think that Lord Franks will himself give a press conference that afternoon; but I think that it is his intention that he should do it on his own, that he should not give more than one press conference and that thereafter he should hold his peace, and that other members of the Committee should not give press briefings. Once the report is submitted to the Government, it will be out of the Committee's hands, and it will be for the Government to handle the press.

I

7. If we can succeed in enabling the Prime Minister to make a substantive statement on the date of publication of the report, then there will be no difficulties about the Foreign and Commonwealth Secretary appearing on television that evening.

8. I think that we may need to release copies of the report on a Privy Counsellor basis some hours before publication to Lord Carrington, Mr Atkins and Mr Nott; and perhaps also to Mr Nicholas Ridley and Mr Richard Luce.

ROBERT ARMSTRONG

ROBERT ARMSTRONG

8 December 1982

DRAFT LETTER TO THE RT. HON THE LORD FRANKS,
OM, GCMG, KCB, CBE, FBA, DL

I undertook to write to you, to set out the reasons why it has been the policy of successive Governments, and remains the policy of the present Administration, that the existence and activities of the Joint Intelligence Committee (JIC) and its associated staff should not be officially disclosed or discussed.

The JIC is part of the Cabinet Committee structure. Successive Governments have thought it right to keep confidential the organisation of Ministerial and official committees which, under the Cabinet, assure the interdepartmental discussion and co-operation that are essential to the processes of Government. The present Prime Minister decided when she came into office that she would wish to follow this practice and has departed from it only to the extent of describing in general terms the four standing Ministerial Committees of the Cabinet, as she did in a Parliamentary Written Answer given on 24th May 1979 (copy attached).

The structure of Cabinet committees is designed to achieve effective interdepartmental consultation in policy making. The main purpose of maintaining confidentiality in regard to the structure is to protect the collective responsibility of Ministers as members of the Government, and the formal accountability of individual Ministers in their capacity as Heads of Departments. The accountability for any given decision or policy is and must be seen to be that of the Departmental Minister chiefly concerned, though it engages the collective responsibility of the Cabinet as a whole. To disclose officially the process by which a policy or decision is arrived at, or the composition of an inter-ministerial committee or group by which it had been discussed, could inhibit the freedom of discussion

in committees: one senior Minister once described the importance of collective responsibility and the confidentiality of the process as conferring "the right to change one's mind in private". It could also lead to attempts to lobby, or to call to account, not just the Minister formally accountable for a decision and the Government as a whole, but also individual Ministers on a committee; and that could clearly both inhibit discussion and have divisive effects on an Administration.

The JIC is of course a committee of officials, not of Ministers; but similar considerations apply (mutatis mutandis) to the disclosure of the existence or composition of official committees in the Cabinet committee structure.

Successive Governments have also avoided selective disclosures of the existence of particular committees, on the ground that selective disclosures would make it increasingly difficult to sustain the general policy. And, of course, once there were any general rule of disclosure, it would become more difficult to keep confidential the existence of certain Cabinet committees whose subject matter demands a high degree of secrecy.

In the particular case of the JIC and its staff there is another reason of a different kind for maintaining the rule of non-disclosure of their existence and activities. The JIC's work is essentially that of bringing into the process of assessment information from all sources, covert and overt. Any discussion of the JIC and its work leads inevitably into discussion of other aspects of intelligence collection and activity and of the intelligence organisation, which it would be important not to be obliged to reveal or discuss.

I can understand that the Committee might take the view that for it to refer explicitly to the JIC and to explain at least summarily the way in which its activities and support are organised could hardly be damaging, given the informed speculation which has appeared about it in the Press. That speculation is, as you know, not wholly accurate or up to date. One might indeed argue that, since so much has come out, it would not only not be damaging but it would actually be better that an unauthorised blend of fact, speculation and fiction should be dispelled by the illumination of at least a measure of authority and truth. I could not argue that disclosure in your Committee's report of the existence of the JIC and the Assessments Staff as such, and of a suitably discreet account of its activities, would of itself be very damaging. But it is one thing for unauthorised pieces of the kind we have seen to be published; it would be another for such information to be given official currency by the Government itself, or by a body with the standing of your Committee. The Government's policy in these matters has enabled Ministers to refuse to be drawn, when asked to disclose information which could itself be damaging or could lead on to pressure to publish other related information which could be damaging. That position would become in some degree more difficult to sustain, in relation to other security and intelligence matters as well as to the JIC itself, if your Committee's report had given official confirmation of matters relating to the JIC which have not hitherto been officially disclosed.

I suppose that it could be argued that, if there is to be a departure from the policy and practice that have hitherto prevailed in this regard, that departure should be one that is made as a deliberate decision by the Government, after full consideration of all the consequences and implications, rather than one made as it were as a by-product of an inquiry of the kind upon which your Committee is engaged.

I hope therefore that your Committee will consider whether it can adequately discharge its task without referring specifically to the JIC or the Assessments Staff, by means of the use of general references: such as, for example, to the central assessments machinery or to the arrangements for undertaking, preparing and co-ordinating interdepartmental assessments of information available from both overt and secret sources.

- 8 DEC 1982

cc Rawsthorne HL
Falklands Review

ARGENTINA.

23 November 1982

The Prime Minister has asked me to thank you for your letter of 16 November which, as you requested, I have passed to the Secretary to the Falklands Review, under the Chairmanship of Lord Franks.

Tim Flesher

Lieutenant-Colonel The Lord Burnham

From: Lieutenant-Colonel the Lord Burnham.

Beaconsfield 3315

HALL BARN
BEACONSFIELD
BUCKS.

16th November 1982

R17/11

Dear Prime Minister,

The Falklands Enquiry

I understand the enquiry is basically to determine why no adequate warning was received of the Argentine invasion, or if one was received why it was disregarded. I am writing to you because I believe that my experience of the Cabinet Office intelligence machinery, though acquired in the mid 1960s, may have some relevance.

Between 1964 and 1966 I served on the Joint Intelligence Staff in the Cabinet Office. When I joined the JIS was found from the Foreign Office, Commonwealth Office and the three Services - though during my time it was joined by members from MI6, MI5 and GCHQ. We had access to all Government departments and to all sources of intelligence. Our duty was to produce intelligence assessments for the Joint Intelligence Committee, which were then distributed by the Secretary to the JIC to Ministers on a larger or smaller distribution. When a paper had reached final draft form we presented it to the JIC. On occasion the JIC required changes in emphasis, but generally speaking our conclusions were accepted.

In practice we divided ourselves into teams, each dealing with a different part of the world. In the course of preparing a paper individual members of the JIS as appropriate would consult the sections concerned in the various ministries, and in the various intelligence-gathering organisations. At that time we regarded ourselves as representatives rather than delegates of our own Ministries. Although our individual attitudes generally reflected our origin we did not feel in any way bound slavishly to put forward the views of the department from which we came. Indeed from time to time our respective ministries expressed disappointment at the conclusions of the Joint Intelligence Committee.

/2

Lieutenant-Colonel the Lord Burnham.

HALL BARN
BEACONSFIELD
BUCKS.

Beaconsfield 3315

Throughout my service in the JIS I had a strong impression that the policy of the Foreign Office was to rid this country of as many overseas commitments as possible, without much regard for strategic considerations or for the welfare of the populations concerned. However policy is no concern of intelligence assessors, and personal relations between members of the JIS were excellent. All problems were discussed objectively and often at great length, and though it was usually obvious that the Foreign Office had more trust in the goodwill of foreign leaders and independence parties than the representatives of the Services this was not always reflected in conclusions of the JIC. Following hours of most interesting and valuable discussion, I believe that we came up in most cases with the correct assessment. We were certainly proud of our record.

However shortly after I left the Joint Intelligence Staff it was reorganised and the Service representatives were recalled to their various departments and ceased to work in the Cabinet Office. It was said that they would be called in when needed or could submit the views of the Ministry of Defence in writing. I believe they were seldom called in, and the fact that they were no longer on the spot when drafts were being prepared meant that it was no longer possible to put forward a controversial view at an early stage in the drafting process. I felt sufficiently strongly about this to write to the Director General of Intelligence, but I was by then serving in another branch of the Defence Intelligence Staff and my letter was not acknowledged. I retired in 1968, and since then have no knowledge of how the Cabinet Office Intelligence organisation works.

It is however my conviction that, as a result of reorganisation which in my view was initiated by the Foreign Office in order to get rid of tiresome opposition to their own ideas, the Government has since been less well served with intelligence assessments.

/3

Beaconsfield 3315

BEACONSFIELD
BUCKS.

Governments have of course from time to time chosen to disregard the best intelligence assessment that could be provided. A classic example was when Mr Harold Wilson stated in a speech that economic sanctions on Rhodesia would have an effect within weeks rather than months. This was some 48 hours after he had been advised by the JIC that economic sanctions were not likely to have any appreciable effect for 10 years. I have of course no idea whether something like this happened in the case of the Falklands.

I would be grateful if my comments could be passed for what they are worth to the members of the Enquiry.

Yours sincerely,

P Burnham

The Prime Minister,
10 Downing Street,
London SW1.

Argentina

10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG

EVENTS PRIOR TO THE INVASION OF THE FALKLAND ISLANDS

In your minute of 12 November you reported Lord Carrington's anxiety that people may have derived, from the Prime Minister's public pronouncements, the impression that she was claiming that earlier indications of Argentina's readiness to use military force were kept from her - or, alternatively, that she was not much involved in events prior to 31 March.

I have looked at all the Parliamentary answers and statements to the press which the Prime Minister has given since 1 October. I do not think that any of these statements could give the impression indicated above. The Prime Minister herself thinks it should be clear to anyone who reads her speech in the debate on 3 April that she was intimately involved from the time of the Argentine landing on South Georgia on 19 March.

I spoke to Lord Carrington this morning. He said that he, too, had no complaint about what the Prime Minister had actually said. The problem arose from press comment on what she had said. I told him that the Prime Minister would be happy to discuss the matter when she next sees him (for your own information, there will be an opportunity for such a discussion in the next ten days or so).

I doubt if we need do any more.

I am copying this minute to John Holmes (FCO), since I had also heard of Lord Carrington's concern from the Foreign and Commonwealth Office.

A. J. COLES

22 November 1982

PRIME MINISTER

EVENTS PRIOR TO THE INVASION OF THE FALKLAND ISLANDS

My minute of 18 November (attached) referred to Lord Carrington's worries.

I have since checked the debate of 2 April. I am not sure that what you said then entirely meets his point.

I understand that you are lunching with Lord Carrington on 5 December. Would you be prepared to discuss the question with him then?

A.S.C.

Yes MT

19 November 1982

CONFIDENTIAL

PRIME MINISTER

Events Prior to the Invasion of the Falkland Islands

I have heard that Lord Carrington is worried about one aspect of Falklands/Franks.

You have said on several occasions that the first warning you had of the invasion of the Falklands was on 31 March. There is no disagreement about that: Lord Carrington, officials from the FCO and others have all said the same thing to Franks.

Lord Carrington thinks that the impression may have been created publicly either that earlier indications of Argentine readiness to use military force were kept from you or that you were not involved in the events in the second half of March which led up to the invasion.

Lord Carrington's concern is that you may be criticised when the Franks Report shows that neither of these propositions is true. I have looked at all the public statements you have made since 1 October. I cannot fault any of them. But I do see that, when read with all the press comment that there has been, the public could have got the impression that you were not closely involved before 31 March.

I do not think there is a big problem here but it would disappear entirely if you could find an opportunity in the House or in a letter or an interview to say something like:

"I have always made it clear that the first warning of the invasion of the Falkland Islands reached me on 31 March. I was of course following events in the South Atlantic well before that, in particular after the illegal landing on South Georgia on 19 March."

If you agree, we shall look for an opportunity and tell Lord Carrington what you have in mind.

Surely this is clear from the account in the House on 2 April. No?

Agree?

A. S. C.

18 November 1982

Prime Minister

See paragraphs 2 and 9.

4 A.J.C. 18/11.

SECRET

WSG 13th Meeting

FALKLAND ISLANDS REVIEW:

MEETING OF WHITEHALL SUPPORT GROUP (WSG)
TUESDAY 16 NOVEMBER 1982 AT 4.30 pm

PRESENT:

Mr D H Colvin	-	Cabinet Office (In the Chair)
Mr A R Rawsthorne	-	Secretary, Falkland Islands Review Committee
Mr Fearn	-	Foreign and Commonwealth Office
Mr Jackling	-	Ministry of Defence
Cdr York	-	JIC

GOVERNMENT SCRUTINY OF THE FINAL REPORT OF THE FALKLAND ISLANDS REVIEW COMMITTEE

1. The Group discussed the difficulties which might arise when the Committee's Report was examined by the Government before publication in the light of the following passage in the Prime Minister's letter of 12 July to Lord Franks.

> "The Government must retain the right in the last resort to delete from the Committee's report before publication any material whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom. I very much hope that the arrangements I have proposed in the foregoing paragraph will make it unnecessary for the Government to do that. Should it be necessary, I have assured the House of Commons that:
>
> (i) the government will make no deletions save strictly on the grounds of protecting national security or international relations;
>
> (ii) the Government will consider any proposals for deletions individually and critically, and will accept such proposals only on the grounds I have specified;
>
> (iii) you will be consulted if any deletions have to be proposed."

2. Mr Rawsthorne said that the Committee had concluded that its final report would have to include a detailed, definitive and comprehensive narrative of events leading up the Argentine invasion of 2 April 1982. It would start in 1965 and deal with periods of crisis, such as 1976-77 but above all from the second half of 1981 to April 1982, in particular detail. The Committee recognised the need to avoid reproducing or quoting verbatim extracts from official telegrams, letters, Cabinet minutes etc and to seek to convey its meaning by paraphraseology and indirect speech. He thought it would help the Committee to have some indication from Departments where difficulties might lie under the two rubrics, national security and damage to the United Kingdom's international relations; and he had therefore, with Lord Franks' approval, taken up the Chairman's offer of a meeting to discuss the matter.

3. In reply to the Chairman, he thought that the Committee would have no difficulty in accepting that the second rubric applied to the secret talks in Geneva in September 1980. Passage deleted and closed, 40 yrs, under FOI Exemption. CMWayland, 7/2/13

4. Mr Jackling thought that references to SSN deployments would be difficult under the national security rubric. This included any reference to their deployment in 1977, the "other priority tasks" of SSNs and details of their passage time which might reveal their cruising speeds. (The Chairman suggested that this point could be finessed by omitting reference to where the SSNs had been deployed from). Passage deleted and retained under Section 3(4). CMWayland, 7/2/13

5. Mr Fearn wondered whether a blow by blow account of diplomatic exchanges with the Argentine Government might be damaging to the United Kingdom's international relations with Argentina itself and possibly the United States. It was generally thought that possible embarrassment to the Argentine Government would not be sufficient to justify deleting material. The American point would need to be watched. As to the status of personal and confidential letters, problems might be avoidable by judicious paraphrasing.

6. Under the national security rubric, it was agreed that DI7 material would need careful handling. But Mr Rawsthorne was clear that the Committee would wish to say something on this subject.

7. Problems were also foreseen over the way that the Report described the Whitehall intelligence structure and those parts of it which were not avowed. Circumlocutions might be available to get round such difficulties. For example, the output of "the intelligence agencies" might be described generically as "secret reports" or "secret intelligence", provided there was no risk of sources being identifiable.

8. On the use of material based on Cabinet minutes, the Chairman stressed that there was a constitutional point at issue; under no circumstances could verbatim extracts be used. Mr Rawsthorne thought that the Committee would be bound to wish to reveal the composition of OD; the Chairman undertook to check whether this would be in order.

9. In conclusion, the Chairman noted that it appeared to be the Committee's intention to draft its Report and for Committee members to sign it before the Government would have the chance to scrutinise it. The report as a whole would not be seen in draft beforehand. However, he noted that Mr Rawsthorne would nevertheless recommend that certain sensitive passages should be submitted in advance, using the mechanism of the WSG. The Group would therefore wait to receive these drafts and would arrange for them to be scrutinised. That said, the Government's position on the deletions would necessarily remain reserved; although in his opinion the Government would prefer it if the Committee's report could be so drafted that no deletions were necessary.

Cabinet Office

17 November 1982

COLES

FALKLANDS INVASION - PRIME MINISTER'S STATEMENTS

Your minute to Willie Rickett of 15 November refers.

I have checked all the Prime Minister's public statements and interviews since 1 October. There are no references.

However you will recall she did touch on this in her interview with George Gale in the Express in July (extract attached). She also covered similar ground in August for a BBC TV programme that has still to be broadcast (extract also attached).

IK.

IAN KYDD
PRESS OFFICE

16 November 1982

EXTRACT FROM PM'S INTERVIEW WITH GEORGE GALE, EXPRESS. 23/7/82.

Of course some small things - though that we a big thing that went wrong. Anything connected with The Queen is a big thing that went wrong. Of course something could go wrong. This is inevitable. It goes on even on newspapers.

GG: Indeed it does. (laughter)

PM: And it isn't always the fault of the journalist and they don't resign when it happens.

GG: No - I'll clear the subject

PM: I tell you jolly well whose fault it is if a paper isn't allowed to come out. It isn't the editor who resigns. Has there been a mass of resignations of editors?

GG: No there hasn't.

GG: Lets look at the Falklands a bit. Presumably the actual crisis, the Argentine invasion, came more or less out of the blue.

PM: Out of the blue ... the Wednesday evening before we got a message which indicated that there was a fleet which had broken off from exercises and looked as if it was going to Port Stanley and looked as if it had the right equipment and the commanders on board. And all of a sudden, I mean I said "this is the worst week we are ever going to live through".

GG: How did you actual feel when you heard the act of the invasion or was that the moment you remember clearly or is there some other moment you remember clearly?

PM: Well the moment I remember vividly is when they brought the information in to me. They brought it in straightaway. They had got some particular information on Wednesday which all of a sudden looked after all the years we'd lived with threats and nothing had ever happened, all of sudden it looked as if the fleet were on the way. We didn't know whether this was yet another false alarm. This was much further along the line than any other previous false alarms

/and yet

and yet I'll remember that moment is etched on my life for all time.

GG: You were here.

PM: I was at my room at the House of Commons. We got people together immediately. The Foreign Secretary was on a visit to Israel. The Chief of Defence Staff was on a visit to New Zealand. We got people together and if I might put it this way we saw that night that we could in fact get a Task Force on its way if the invasion happened. We had got it on its way by the following Monday which as events happened we did and by that time they were already .. we had got several other things on the way immediately. There had also been some other things on the way before that, just as a precaution. We had been thinking in terms of South Georgia but , as you know there weren't very many people on South Georgia because they landed quite a lot - 60 - then they took 50 off.

GG: You couldn't have presumably in any way have been expected to have to cope with this kind of crisis.

PM: No. No soothsayer, no prophet, no fortuneteller, no astrologer could have foreseen what was going to happen. It was one of those things. You know George I have a rule in life, the Thatcher rules of politics, the unexpected happens; and when it does there is no point in thinking well if only - you have got to cope with it.

GG: You didn't find the suddenness of it a particular psychological or mental strain although you were ...

PM: Oh no that moment one's whole concentration is on dealing with the actual problem and of course .... on the Wednesday evening about 7 o'clock I got a meeting together very quickly. We were across at the House because we were having to vote. We got a meeting together very very quickly. The Foreign Office, Defence and ourselves, when we saw what we could do and what we couldn't and whether there was anything else we could do to try to either find out .. or stop it. And of course President Reagan is the most powerful person to stop it so we literally sat down then and drafted a letter to him. Please would he get on

/to

Recorded 6/8/82

EXTRACT FROM AN INTERVIEW GIVEN BY THE PRIME MINISTER ON THE SUBJECT OF HER ROOM AT THE HOUSE, FOR THE SERIES:"THE PALACE OF WESTMINSTER".

Interviewer:And this is a rather more private part of the room for you.....

PM:Yes, people often come here and see one after Questions.We're here quite a lot you know while Parliament is sitting and Members of Parliament want to come in.And I just make it a rule that I'm accessible to Members of Parliament and I'm available to talk about the real problems of their constituents.And Ministers come in and delegations.

It also has many. many memories for me, this part.It was actually in this room in which I first heard of the probable invasion of the Falklands.Through that door, suddenly, at about 7 o'clock on the Wednesday evening before the invasion, John Nott came in with his Permanent Secretary saying:"Look, you must see this latest intelligence immediately " and showed me that the Argentine fleet had broken off from its exercises; that it was thought to be en route for Port Stanley, because that was the direction in which it was sailing.The composition of the fleet would be right for an invasion.We did not know of course whether it was going to do it, or not.But I will never forget that moment.And indeed we gathered together the people immediately..... very quickly.....

Interviewer:"In here?

PM:In here.....all around we got some more chairs and all sat around to see precisely what size fleet we could send and how long it would take to send it .... and to get some more nuclear submarines on the way, because we could do that quickly.

Interviewer:So it was here that you made those great decsions about the Falklands?

PM:It was here that we had a whole new aspect, a frightening one, opening before us.And we had immediately to consider precisely what could be done; when the decisions must be made. because actually to send a Task Force would be a decsion of Cabinet.And of course to wonder whether the invasion would actually take place.And here that I actually drafted the letter which, that night, I sent to President Reagan, telling him of the intelligence we had and asking if he could phone President Galtieri to urge him to stop it.And of course,we had to get on to the United Nations.All those things were done.

I am afraid it was to no avail.As you know. the Task Force went the following Monday. But also I was here on the Friday of that invasion.The House was sitting.And I was sitting at that big table and we weren't able to say that the Falklands had been invaded because, ironically enough, we had to rely on the cable and wireless for communications.And when I saw the Governor, 2 or 3 days later, he told me he'd sent a message immediately that the forces had landed.Unfortunately the communications had ceased three-quarters of an hour before.And that was not unusual there... is a time when they're out of action.And so we had to go on through the day with rumour and counter- rumour coming in.

And there also took place quite a number of quite big decsions around this table.And it was in this room that I heard that we'd lost the 'Coventry' and 'Atlantic Conveyor'.And one day we lost 2 Harriers when they'd been attacking the ground,

PM cont...

bombing the ground. We lost none, as you know, in combat with other aircraft.

So for me perhaps, the room means a very great deal more than to Prime Ministers usually.

Argentina Review.

Check also evidence to Franks.

1. MR. RICKETT cc: Mr. Kydd

2. Mr Coles ✓ MR 28/11

I should be grateful if Charlotte could let me have as soon as possible all statements made by the Prime Minister in Parliament since 1 October relevant to the question of when she knew that Argentina would invade the Falklands or, which is slightly different, when she received indications of Argentine readiness to use military force.

I should be grateful if Ian Kydd could similarly provide any relevant statements which the Prime Minister has made to the media on these matters.

There is some urgency about this.

A.J.C.

15 November 1982

Passages deleted and retained under Section 3(4). OWayland 4/2/13

Ref. A082/0088

MR COLES

Events Prior to the Invasion of the Falkland Islands

Lord Carrington is anxious that people may have derived from some of the Prime Minister's replies to Questions in the House and other pronouncements the impression that she is saying not only that she had no definite intelligence of an Argentine decision to invade until 31 March but that earlier indications of Argentine readiness to use military force were kept from her. It is within his recollection that there was discussion of a possible military response to the situation on South Georgia as early as 25 March, and also a message from Costa Mendez on 28 March which demonstrated intransigence and accused us of provocation. Moreover, the possibility of armed conflict was referred to in a message which Lord Carrington sent to Mr Haig on 28 March.

2. I have said to Lord Carrington that my impression is that what the Prime Minister has been saying is what I heard her say to the Franks Committee: 31 March was the first definite indication she had of an Argentine intention (if not decision) to invade the Falkland Islands; and that, though there had been previous indications of Argentine military activity she and others had viewed those in the context of South Georgia rather than of the Falkland Islands themselves. I do not think that she has been suggesting that there were indications of an Argentine invasion of the Falkland Islands earlier than 31 March which were kept from her.

3. I wonder if we should perhaps review the answers which the Prime Minister has given to questions on this subject since, say, 1 October, so that we can see if there is any justification for Lord Carrington's fears.

RCA

ROBERT ARMSTRONG

12 November 1982

Tuesday 9 November 1982

Mr Ioan Evans (Aberdare): To ask the Prime Minister, if she will now answer Questions relating to the circumstances of the Argentinian invasion of the Falkland Islands.

(Answered by the Prime Minister)

CIRCULATED AS WRITTEN.

I refer the hon Gentleman to the reply which I gave to the hon Member for West Lothian on 28 October 1982 (Official Report vol 29, cols 466-467).

MT

See Notes Below

Argentina

FALKLAND ISLANDS REVIEW COMMITTEE

Old Admiralty Building
Whitehall, London, SW1A 2AZ

Telephone 01-273 5106

Chairman: Lord Franks OM GCMG KCB CBE PC
Secretary: A R Rawsthorne (01-273 5106)

J Coles Esq
10 Downing Street
London
SW1

4 November 1982

Dear John,

Thank you for your letter of 3 November and the points made by the Prime Minister on the transcript of her discussion with the Committee, which I have drawn to its attention.

Yours,

Tony

(A R Rawsthorne)

Argentina file Brp 3

10 DOWNING STREET

From the Private Secretary

3 November 1982

Thank you for your letter of 29 October enclosing the verbatim record of the discussion which the Prime Minister had with your Committee on Monday 25 October.

The Prime Minister has asked me to make three points about the transcript.

Page 21 quotes the Prime Minister as saying that she had put down in her diary the sentence "Moreover, if faced with Argentine occupation on arrival there would be no certainty that such a force would be able to retake the dependency". To avoid any misunderstanding now or in the future, the Committee may care to know that the Prime Minister had simply made a note of the sentence concerned on the extract from the diary of events and meetings which she took to her meeting with the Committee and which is referred to on pages 51 and 52 of the transcript. The Prime Minister would not wish it to be thought that she had kept a personal diary and entered into it statements of such delicacy.

On page 22 the comma in the fourth line from the bottom of the page should perhaps be deleted. Otherwise, the meaning is obscured.

With regard to page 30, the Prime Minister did not wish to give the impression that she and Lord Carrington had personally telephoned the Ministry of Defence about an SSN - merely that she and Lord Carrington had discussed the matter and that, as page 30 of the transcript makes clear, a telephone call was later made to the MOD.

A.J. COLES

A.R. Rawsthorne, Esq.

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SECRET

PRIME MINISTER

FRANKS COMMITTEE

I attach the transcript of your discussion with the Committee. We are asked whether you wish to make any corrections or to add to the points you made.

If you agree, I will make three points in reply:

a) Page 21 refers to you putting down a sentence in your "diary". To avoid a misunderstanding, the Committee should know that you had simply made a note of the sentence concerned on the extract from the diary of events on meetings which you took to the meeting and which is referred to on pages 51 and 52 of the transcript. No-one should imagine that you kept a personal diary and put things of such delicacy in it.

b) On page 22 the comma in the fourth line from the bottom should be deleted - otherwise the meaning is obscured.

c) On page 30, you did not wish to give the impression that you and Lord Carrington had telephoned the Ministry of Defence about an SSN, merely that you and Lord Carrington had discussed the matter and that, as page 30 of the transcript makes clear, a telephone call was later made to the MOD.

Agree that I may write in these terms?

A.J.C.

MT

2 November 1982

SECRET

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FALKLAND ISLANDS REVIEW COMMITTEE

Old Admiralty Building
Whitehall, London, SW1A 2AZ

Telephone 01-273

Chairman: Lord Franks OM GCMG KCB CBE PC
Secretary: A R Rawsthorne (01-273 5106)

A J Coles, Esq.,
No. 10

29 October, 1982.

Dear John,

I attach a copy of the verbatim record of the discussion the Prime Minister had with the Committee on Monday, 25 October.

If the Prime Minister wishes to make any corrections of substance to the record, perhaps you could mark them on the transcript and return it to me as soon as is convenient. If the Prime Minister wishes to amplify or add to the points she made in discussion, it would be helpful if you could let me know at the same time.

Yours sincerely,

Tony Rawsthorne

(A R Rawsthorne)

FALKLAND ISLANDS REVIEW COMMITTEE

Note of an oral evidence session held in Room 1/99
Old Admiralty Building, London SW1
on Monday 25 October 1982

PRESENT

Lord Franks - Chairman
Lord Barber
Lord Lever of Manchester
Sir Patrick Nairne
Mr Merlyn Rees MP
Lord Watkinson

Mr A R Rawsthorne)
Mr P G Moulson) - Secretariat

Witnesses

Prime Minister
Sir Robert Armstrong
Mr A J Coles

Copy removed from this file. The original is in CAB 259.

Note taken by MPO Reporter

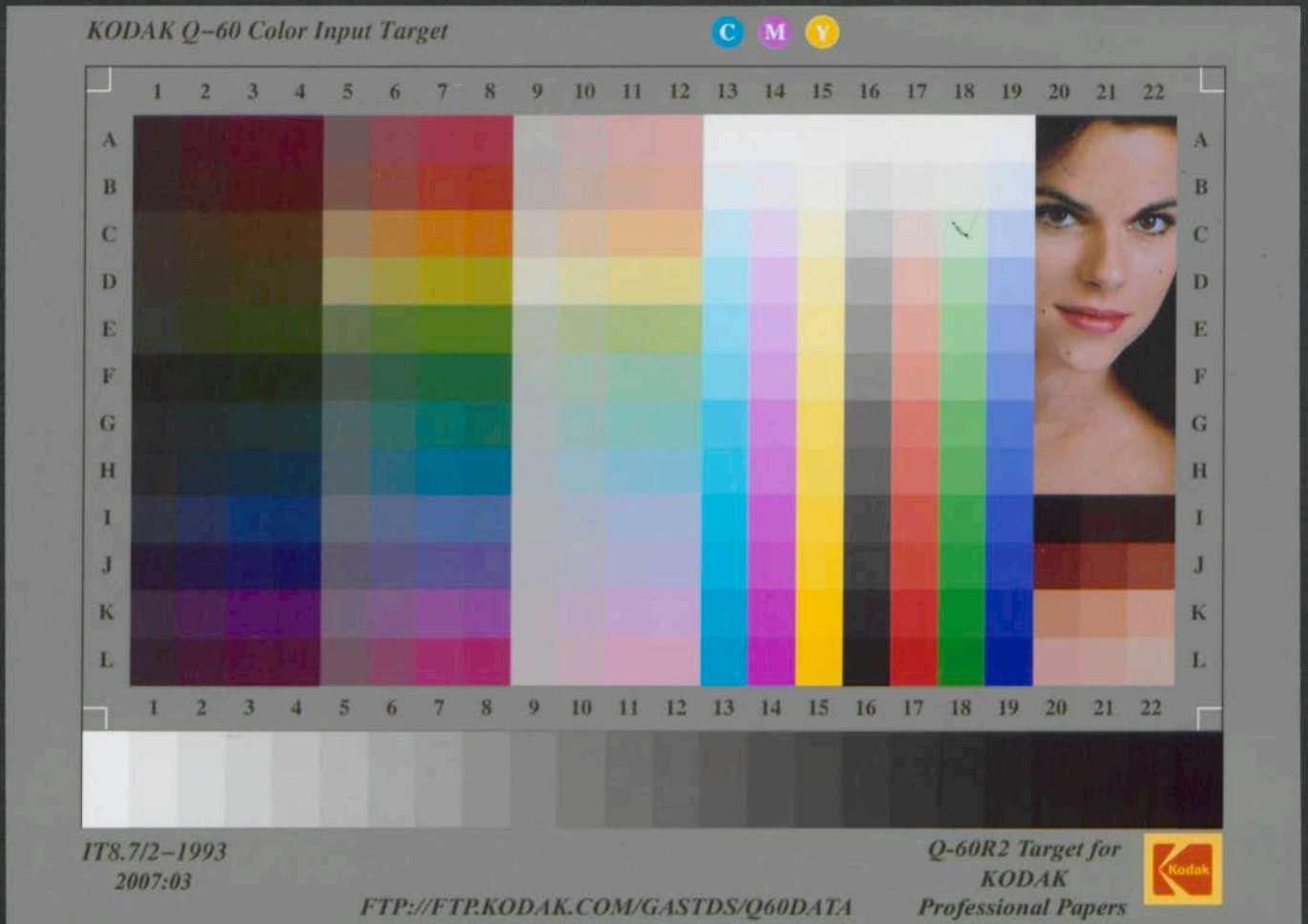
O Wayland
7 February 2013

PART 2 ends:-

WSG 10th Mtg 25.10.82

PART 3 begins:-

FIRC to ASC + att Report 29.10.82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