

Ref: B06584

PRIME MINISTER

c Sir Robert Armstrong

OD(FAF): The Falklands Garrison and Its Costs

BACKGROUND

1. You will recall that in June the Sub-Committee was presented (OD(FAF))(82) 2) with an initial assessment of the size of garrison which might be required to ensure the security of the Falkland Islands and Dependencies in the face of the threat from Argentina. Following discussion at OD(FAF)(82) 1st Meeting, the Secretary of State for Defence was invited to inform the Sub-Committee of the results of his further studies on force levels, including the feasibility of deploying forces to the area for training. The Defence Secretary's minute to you of 2nd September now before the Sub-Committee covers a paper by Ministry of Defence officials which describes the planned force levels to be achieved in the South Atlantic by the end of next month, discusses the factors affecting these figures, including our ability to reinforce, and sets out the rough order of costs. As the Defence Secretary points out, both the size of the garrison and the costs involved are very large; you will note however that the force level is rather less than the June figure while the costs are substantially higher. The Defence Secretary would welcome at least a preliminary discussion of the political guidance which might be given to the Chiefs of Staff before further planning is undertaken.

HANDLING

2. There is not sufficient material in the Defence Secretary's minute to enable the Sub Committee to arrive at decisions on future force levels. The aim of the discussion will therefore be to establish those aspects on which the Sub-Committee will require further detailed advice and the time by which decisions will need to be taken.
3. You will wish to invite the Defence Secretary to introduce the subject and perhaps explain the criteria he considers should be used to determine the size of the future garrison. The discussion might focus on the following questions.



i. What additional facilities would be required to enable a greater proportion of the forces to be provided by reinforcement? Where would the troops be stationed? What would the costs be and how great might the savings be over the proposals now put forward by the Chiefs of Staff?

ii. Does the Defence Secretary envisage additional intelligence arrangements to provide better warning? If so, what could these be? What would they cost?

iii. Can force levels on the Islands be maintained by rotating troops to the area for training?

iv. Could the force levels on the Islands be reduced sufficiently to achieve an appreciable reduction in the social impact of the garrison on the way of life of the Islanders?

v. What are - or are likely to be - the views of our NATO partners on this diversion of resources to the South Atlantic? Are some elements of the force of less importance to NATO than others? Is there any scope for further assistance from the United States in meeting our other NATO commitments?

vi. When does the Defence Secretary wish the Sub-Committee to take decisions on this considered proposals?

CONCLUSION

4. Depending on the points made in discussion the Sub-Committee might

a. Note the force levels to be achieved by October.

b. Invite the Defence Secretary to circulate by the end of October his alternative proposals, with costings, for future force levels in the South Atlantic, taking account of reinforcement capability, the potential (if any) for improved intelligence arrangements and the impact on our NATO commitments, and to indicate the timescale on which the force levels might be introduced.

A D S Goodall

3rd September 1982

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