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Mr. [initials]	DESK OFFICER	REGISTRY
PS [initials]	INDEX d/lev PA	Action Taken

is from appropriate [unclear] before  
 an [unclear] [unclear]. [unclear] [unclear]  
 not now feed in to be [unclear]  
 [unclear] our [unclear] in [unclear]  
 soon. Thank you.  
 15/6  
 I have spoken accordingly  
 to Defence Dept. (Mr. [unclear]).  
 RNS  
 16/6

② A

THE DEFENCE REVIEW: HMS ENDURANCE

- The Secretary of State minuted the Defence Secretary on 5 June about various aspects of the Defence Review, including (paras 9 - 12) the proposal to withdraw HMS Endurance without replacement.
- The MOD convened a meeting of officials on 10 June to discuss these issues. The MOD were adamant that the case for withdrawing HMS Endurance after her 1981 - 82 programme (which will go ahead) could not be reconsidered. They pointed out that she costs £4 million per year to maintain, and would in any case soon need to be replaced, at much greater cost. They also argued that it would be politically impossible for the Defence Secretary to defend a decision to keep HMS Endurance when the requirement for her was highly specialised in relation to broader naval requirements and when such swingeing cuts were to be made in the Navy as a whole. They accepted that other arrangements would need to be made for the changeover of the Falklands Marine garrison (which is not threatened by the Review) and thought that this could best be done by a frigate. In order that the decision should be presented in the best light possible, they agreed to try to ensure that in announcing the withdrawal of Endurance, Mr Nott should make something of the retention of the garrison and the point that HM ships would continue to visit the Falklands from time to time.
- The consequence of withdrawing Endurance for our Falklands and Antarctic interests are already spelt out in the Secretary of State's minute. While the present MOD commitment to provide alternative naval visits is in principle welcome, we will have to consider its implications more carefully. On the one hand the Islanders would welcome visits by a warship: on the other, the Argentines, particularly if our dealings with them on the dispute were at a sensitive stage, might well consider it provocation. If so, we would also have to bear in mind the possibility that whichever of HM's ships were to carry out this duty might, under Argentine pressure, be denied access to Montevideo, and other South American ports, and might have to sail direct from and to the UK.
- Given the overall scale of the cuts which Mr Nott is proposing, I do not think that we can at this stage successfully contest the withdrawal of Endurance. But Mr Ridley will wish to be aware of the implications.

*P. R. Fearn*

12 June 1981

P. R. Fearn  
 South America Department

SECRET

cc:

PS/PUS  
Sir A Acland  
Mr Gillmore  
Mr Watkins, Defence Department

Unfortunate, but I see no prospect of  
our reversing the decision.

J. M. Gas.

12/6.