

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

CC(84) 6th  
Conclusions

COPY NO 74

CABINET

CONCLUSIONS of a Meeting of the Cabinet  
held at 10 Downing Street on  
THURSDAY 16 FEBRUARY 1984  
at 10.10 am

P R E S E N T

The Rt Hon Margaret Thatcher MP  
Prime Minister

The Rt Hon Lord Hailsham  
Lord Chancellor

The Rt Hon Leon Brittan QC MP  
Secretary of State for the Home Department

The Rt Hon Sir Keith Joseph MP  
Secretary of State for Education and Science

The Rt Hon Peter Walker MP  
Secretary of State for Energy

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

The Rt Hon John Biffen MP  
Lord Privy Seal

The Rt Hon Norman Tebbit MP  
Secretary of State for Trade and Industry

The Rt Hon Tom King MP  
Secretary of State for Employment

The Rt Hon Peter Rees QC MP  
Chief Secretary, Treasury

The Rt Hon Viscount Whitelaw  
Lord President of the Council

The Rt Hon Sir Geoffrey Howe QC MP  
Secretary of State for Foreign and  
Commonwealth Affairs

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer

The Rt Hon James Prior MP  
Secretary of State for Northern Ireland

The Rt Hon George Younger MP  
Secretary of State for Scotland

The Rt Hon Patrick Jenkin MP  
Secretary of State for the Environment

The Rt Hon Norman Fowler MP  
Secretary of State for Social Services

The Rt Hon Lord Cockfield  
Chancellor of the Duchy of Lancaster

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon John Wakeham MP  
Parliamentary Secretary, Treasury

Mr John Stanley MP  
Minister of State for the Armed Forces  
(Items 1-3)

Mr John Gummer MP  
Minister of State, Department of Employment

SECRETARIAT

Sir Robert Armstrong  
Mr A D S Goodall (Items 2 and 3)  
Mr D F Williamson (Items 2 and 3)  
Mr C J S Brearley (Item 1)  
Mr R Watson (Item 1)

CONTENTS

Item	Subject	Page
1.	PARLIAMENTARY AFFAIRS	1
2.	NORTHERN IRELAND	1
3.	FOREIGN AFFAIRS	
	Lebanon	1
	Iran/Iraq	2
	Falkland Islands	2
	Soviet Union	3
4.	COMMUNITY AFFAIRS	
	Community Budget and United Kingdom Refunds	3

PARLIAMENTARY  
AFFAIRS

1. The Cabinet were informed of the business to be taken in the House of Commons during the following week.

NORTHERN  
IRELAND

Previous  
Reference:  
CC(84) 1st  
Conclusions,  
Minute 4

2. THE PRIME MINISTER said that the "Forum for a New Ireland", in which the participants were the three main parties in the Irish Parliament and the Social Democratic and Labour Party from Northern Ireland, was due to publish its report early in March. Careful consideration would need to be given to the Government's response to the proposals for changes in the situation in Northern Ireland which the report would undoubtedly contain.

The Cabinet -

Took note.

FOREIGN  
AFFAIRS

---  
Lebanon

Previous  
Reference:  
CC(84) 5th  
Conclusions,  
Minute 3

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that the situation in Beirut remained uncertain. The Lebanese Army had been dislodged from their positions to the south of the city and there had been some movement of Israeli forces. The withdrawal of the British contingent to the Multinational Force (MNF) had gone smoothly. The French and Italian Governments were also anxious to withdraw their contingents but wanted them replaced by a United Nations force. The redeployment of the United States marine force was due to be completed in thirty days from 11 February. It was important for the United Kingdom to maintain credibility as a participant in the MNF for the time being, which meant that a British military representative would need to attend the meetings of the MNF Co-ordinating Group. At the United Nations the French had tabled a Resolution calling for the establishment of a United Nations force in Beirut which was due to be discussed in the Security Council that day, but which was likely to founder on the insistence of the Russians and the Syrians that all MNF support for the Lebanese Government (including ships) should be removed from the area. There were better prospects for the small steps which the British Government were proposing, starting with the introduction of United Nations observers. As had been made clear during the recent visit to London of the Vice-President of the United States, Mr Bush, the Americans were still uncertain of their objectives in the Lebanon and consequently not ready for fresh negotiations with the various parties to the Lebanese dispute. They were continuing to resist pressure to seek a compromise with the Syrians involving the setting aside of the 17 May 1983 Agreement. The Prime Minister would be in touch with President Reagan on the subject and would be seeing King Hussein of Jordan later that day.

THE MINISTER OF STATE FOR THE ARMED FORCES said that half the British contingent was now on Royal Fleet Auxiliary (RFA) Reliant and half had been withdrawn to the Sovereign Base Areas in Cyprus. It would be possible for the time being to maintain the position that the contingent had been redeployed rather than withdrawn, but RFA Reliant was over-crowded and would shortly need maintenance in Cyprus. British military

representation on the MNF Co-ordinating Group would require one officer and two other ranks from the British contingent to be based in the British Embassy in Beirut. There had been a marked deterioration in the military situation around Beirut within the last twenty-four hours and the Lebanese army had lost control of the coastal strip south of the city.

The Cabinet -

Took note.

Iran/Iraq

Previous  
Reference:  
CC(83) 38th  
Conclusions,  
Minute 1

THE FOREIGN AND COMMONWEALTH SECRETARY said that according to radio reports Iranian forces had launched a major new offensive against Iraq with the apparent objective of reaching the main Baghdad/Basra road. This confirmed his view that the Gulf war was far from over; and it was bound to prejudice the efforts of the Secretary General of the United Nations to mediate between the two belligerents. The Government remained in close touch with the United States Government on contingency plans, including the need to provide assistance to Oman and the United Arab Emirates, and further action in this connection was under consideration. It was not possible to predict whether the hostilities in the Gulf would lead to the closure of the Straits of Hormuz with all the consequences this would have for oil supplies to the West. This was, however, one of the main contingencies under consideration with the Americans.

THE MINISTER OF STATE FOR THE ARMED FORCES said that the Iranian offensive was likely to result in greater use by the Iraqis of their SCUD missiles and intensified Iraqi attacks on the Iranian oil installations on Kharg Island. Instructions had been given that no Royal Navy ships from the Armilla patrol were to enter the Gulf without explicit Ministerial authority.

THE PRIME MINISTER, summing up a short discussion, said it would be helpful if the Foreign and Commonwealth Secretary were to review the range of contingencies arising from the Gulf war in consultation with the Chancellor of the Exchequer, the Secretary of State for Defence and the Secretary of State for Energy.

The Cabinet -

2. Invited the Foreign and Commonwealth Secretary to proceed as indicated by the Prime Minister in her summing up.

Falkland  
Islands

Previous  
Reference:  
CC(84) 4th  
Conclusions,  
Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Argentine reaction to the Government's proposal, conveyed through the Swiss, for bilateral talks aimed at normalising relations were still unclear. The Argentines had given publicity to the British proposal; the Argentine Prime Minister, Senor Alfonsin, had postponed a speech which he had been due to make on

the subject on 10 February; and the Argentine Government had sent a letter to the President of the United Nations Security Council complaining about alleged incidents near the limit of the Falkland Islands Protection Zone in November and December 1983. There were, nevertheless, indications that the eventual Argentine response to the British approach might be positive. Meanwhile it was important for the Government not to be drawn into a public point-scoring exercise with Argentina.

Soviet Union  
Previous  
Reference:  
CC(84) 3rd  
Conclusions,  
Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that the visit which the Prime Minister and he had made to Moscow for the funeral of President Andropov on 14 February had been useful and had clearly been welcomed by the Soviet authorities. The Prime Minister's thirty-minute talk with the new First Secretary of the Soviet Communist Party, Mr Chernenko, had gone well: Mr Chernenko had given little indication of vitality but there had been no brusque belligerence on the Soviet side and the new Soviet leadership appeared ready to enter into a dialogue.

The Cabinet -

3. Took note.

COMMUNITY  
AFFAIRS  
---  
Community  
Budget and  
United Kingdom  
Refunds  
Previous  
Reference:  
CC(84) 3rd  
Conclusions,  
Minute 3

4. THE FOREIGN AND COMMONWEALTH SECRETARY reported that there were numerous bilateral contacts between member states as part of the negotiations on the future financing of the Community. There would be an informal meeting of Foreign Ministers on 18-19 February. There seemed to be a wider acceptance within the Community that there must be a revised budgetary system which would be lasting. On the United Kingdom's 1983 refunds the Commission had not yet formally proposed the transfer of the financial provision from the reserve chapter of the 1984 budget to specific lines. The European Parliament, when considering the regulations necessary for the payment of the refunds, had suggested certain amendments which were not acceptable. They had not yet given, however, a formal opinion on the regulations. If the regulations and the financial provision were not in place in March, the negotiating climate for the wider question of the future financing of the Community would become more difficult.

The Cabinet -

Took note.

Cabinet Office  
16 February 1984