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CC(84) 10th
Conclusions

COPY NO 74

CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on

TUESDAY 13 MARCH 1984

at 10.30 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 Nigel Lawson MP
Chancellor of the Exchequer

The Rt Hon Peter Walker MP
Secretary of State for Energy

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 Rt Hon Peter Rees QC MP
Chief Secretary, Treasury

The Rt Hon Nicholas Ridley MP
Secretary of State for Transport

THE FOLLOWING WERE ALSO PRESENT

Mr Richard Luce
Minister of State,
Foreign and Commonwealth Office (Item 2)

Mr John Gummer MP
Minister of State, Department of Employment

SECRETARY

Sir Robert Armstrong

C O N T E N T S

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- THE BUDGET
1. THE CHANCELLOR OF THE EXCHEQUER informed the Cabinet of the proposals in his forthcoming Budget.

In accordance with precedent, details are not recorded in the Cabinet conclusions.

The Cabinet -

Took note, with approval, of the Chancellor of the Exchequer's Budget proposals.

FOREIGN
AFFAIRS

Iran/Iraq War

Previous
Reference:
CC(84) 9th
Conclusions,
Minute 3

2. THE MINISTER OF STATE, FOREIGN AND COMMONWEALTH OFFICE (MR LUCE), said that the situation in the Gulf as a result of the Iran/Iraq war remained a source of great instability and a cause of much concern, both for political reasons and because of the potential interruption of oil supplies. The United States Administration was determined to keep the Straits of Hormuz open for commercial traffic, by military means if need be, and was already deploying substantial forces in the Gulf area. They wanted, however, to see a greater state of readiness in case of emergency, and they had asked Her Majesty's Government to consider reinforcing British contingency arrangements in three respects -

- a. by bringing a Mine Counter Measures (MCM) force to the Eastern Mediterranean, or better still to the Arabian Sea;
- b. by deploying extra Royal Navy ships in the Armilla patrol;
- c. by taking part in joint military exercises with the Gulf states.

At a meeting of Ministers earlier in the morning there had been general agreement that, before the Government entered into any firm commitment to increased British activity in the Gulf area in support of United States forces, there needed to be clear political understanding with the United States Administration as to the objectives of any intervention and the nature of the military operations concerned. This would require political discussions with the United States Administration at a high level, which needed to be undertaken without delay. The question that the earlier meeting had not been able to decide was whether any move should be made by way of response to the United States requests, not by way of a definite commitment, but as an earnest of good intention and readiness to respond positively if a political understanding could be reached. It would be possible to reinforce the Armilla patrol, but that would imply a higher degree of commitment than was appropriate in the circumstances. The alternative would be to send a MCM force minesweeper out from the United Kingdom to Gibraltar or to Cyprus. At present the force minesweeper concerned was in British waters and 42 days' steaming from the Gulf. In Cyprus it would be 17 days' steaming from the Gulf. This measure had seemed to most but not all Ministers to strike the right balance: it fell short of a definite commitment in the Gulf area, but would demonstrate readiness to respond positively.

THE SECRETARY OF STATE FOR DEFENCE said that he was in general agreement with the line to be taken with the United States Administration, but he was not persuaded that it would be right to send minesweepers out even as far as Cyprus before there had been high level political discussions with the United States Administration. It was a measure that would attract some public attention, since it would be necessary to call up a ship from the trade to provide support for the force. He

shared the concern of his colleagues about the dangers in the Gulf, but he was further concerned that the United States Administration appeared to be set on a course that was likely to increase rather than to diminish tension in the area. No doubt the United Kingdom would have in the end to become involved, if the United States became obliged to take military action in the Gulf area. He feared, however, that if the Government appeared to be responding prematurely to the United States Administration's specific requests for support, that Administration would take less seriously than was desirable the need for full consultation with the British Government on the political situation and requirements and on the objectives of intervention. His view was that, if Iran sought to close the Straits of Hormuz, the first response should take the form of diplomatic action; he feared that the United States would want to play down a diplomatic response and move straight to military intervention.

THE SECRETARY OF STATE FOR ENERGY said that he had recently returned from a visit to Washington, where he had encountered a strong feeling that, since America's allies in Europe and Japan would be more seriously affected by an interruption to oil supplies from the Gulf than the Americans themselves, and since the American strategic oil reserve would have to come to the rescue in the event of any interruption of oil supplies from the Gulf, the allies should be involved in any action which the Americans took in the Gulf. Sending minesweepers to Cyprus would not constitute an irrevocable commitment, but would be seen by the Americans as an earnest of good intentions.

In discussion it was noted that minesweepers were in any case to be sent out to the Mediterranean in April for exercises. It was generally agreed that sending minesweepers to Cyprus at this stage could hardly be represented as provocative; indeed, it would be prudent insurance for the protection of British interests in the Gulf. There was general agreement that, before any final commitment was entered into for an increase in British support for the United States military presence in the Gulf area, it was desirable that there should be high level political consultations with the United States Administration. Sending minesweepers to Cyprus would be an indication to the Americans of the British Government's intention to approach those consultations in a positive spirit and should thus help to ensure a measure of British influence on the United States decision making.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet agreed that there should be early consultations with the United States Administration on the political handling of the crisis in the Gulf, and on the nature and timing of any military operations that might be involved, before any commitment was entered into as a result of the specific requests which had been received from the United States Administration; but that in the meantime a MCM force should be sent out forthwith to Cyprus as a precautionary measure.

SECRET

The Cabinet -

1. Invited the Foreign and Commonwealth Secretary to arrange for early high level political consultations with the United States Administration on the lines indicated in the Prime Minister's summing up.
2. Invited the Secretary of State for Defence to arrange for a Mine Counter Measures force to be sent out to Cyprus as agreed in discussion.

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INDUSTRIAL
AFFAIRS

Coal
Industry

Previous
Reference:
CC(84) 9th
Conclusions,
Minute 1

3. THE SECRETARY OF STATE FOR ENERGY reported that at the beginning of the previous day 83 pits had been at work and 81 had not been at work; 10 of these were not working because of the intervention of pickets rather than because the mineworkers concerned wished to strike. By the end of the day the number of pits not working had risen to about 100. That morning there had been mass picketing at several pits where the mineworkers concerned wished to work. The National Coal Board (NCB) would be seeking an injunction against pickets at two mines, one in Scotland and one in South Wales. In five of the coal fields there were to be ballots on the proposals for strike action later in the week.

THE HOME SECRETARY said that he sent a message to Chief Constables expressing the hope that they would be able to ensure that those who wished to go into the pits to work would be enabled to do so.

THE PRIME MINISTER, summing up a brief discussion, said that the dispute in the coal industry was strictly between the NCB and the National Union of Mineworkers and the Government should neither intervene nor comment on the issues. The Home Secretary should continue to ensure that the law was upheld. She would make arrangements for meetings of Ministers as necessary to keep the situation under review.

The Cabinet -

Took note.

Cabinet Office

13 March 1984