I have been giving some thought to the form, composition and terms of reference of the inquiry which the Prime Minister has agreed to set up into the way in which Government Departments discharged their responsibilities in the period leading up to the Argentine invasion of the Falkland Islands.

- 2. It seems to me that we should have the following requirements in mind:
- (1) if pressures for investigations by Select Committees are to be avoided, there will need to be a political component in the inquiry;
 - (2) as the conduct of Ministers as well as civil servants is at issue, the inquiry should include someone who is neither a politician or a civil servant;
 - (3) those conducting the inquiry should be sensitive to the problems of dealing with the intelligence material and assessments involved.
- 3. These considerations point to a Committee consisting of two senior Privy Counsellors, one Conservative and one Labour, under an independent chairman, who might be a judge or an academic.

 | Committee consisting of two senior Privy Counsellors, one Conservative and one Labour, under an independent chairman, who might be a judge or an academic.
- 4. If the Privy Counsellors should come from the House of Commons, there are two former Prime Ministers to bear in mind: Mr Heath and Mr Callaghan. Nobody would suppose that in appointing Mr Heath the Prime Minister would be doing herself a favour. Mr Heath was Prime Minister when the 1971 agreement with Argentina was concluded; Mr Callaghan was involved in the events of November and December 1977. Both men were familiar with intelligence matters.
- 5. If Privy Counsellors in the House of Lords can be chosen, there are suitable candidates in Lord Carr and Lord Shackleton, both of whom have had relevant Ministerial experience. Lord Shackleton has personal links with the Falkland Islands and Antarctica. Other possibilities include Lord Jellicoe and Lord Shepherd; but neither was close to intelligence matters.

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6. If the Prime Minister wanted to go for a judge as chairman, it would be necessary to consult the Lord Chancellor. If there were a suitable Lord of Appeal or Lord Justice, he would be a Privy Counsellor, and we should have a Committee of Privy Counsellors. I doubt whether Lord Diplock would want to take it on. Lord Bridge is a possibility; but I suppose that we may have to ask the Security Commission to review Passage deletel and retained under Sechia 3(4). All ayland. It May 2012

and Lord Bridge would have to chair that review. If the Prime Minister would like me to pursue other possibilities, I will talk to the Lord Chancellor.

7. But I am inclined to think that an academic might be more suitable than a judge for this inquiry, if we could find the right one. Possible names that occur to me here are Lord Dacre of Glanton (alias Hugh Trevor-Roper), now Master of Peterhouse, and Professor Michael Howard, both of whom are familiar with intelligence matters. Either would do a thorough job; Michael Howard would be less liable to be idiosyncratic than Lord Dacre. Michael McCrum, the Master of Corpus Christi College, Cambridge, though an ancient historian by discipline, is a man of good judgement and considerable authority. Lord Blake, the Provost of The Queen's College, would do it excellently, but is perhaps too closely associated with the Conservative Party. Other possibilities are Professor Hedley Bull (an Australian by birth), Professor of International Relations at Oxford, who has had experience of working in the Foreign and Commonwealth Office, and Professor S E Finer, Professor of Government and Administration at Oxford; either would do a thorough and sensible job, though Professor Finer has not (so far as I know) any familiarity with intelligence matters.

8. None of these is a Privy Counsellor; but any of them could be appointed a Privy Counsellor, if it were thought desirable that the inquiry should be constituted entirely of Privy Counsellors. Lord Trend is a Privy Counsellor, and head of an Oxford college; but he is now 68, and I doubt whether it would be right to have a former civil servant as the chairman of this inquiry (though as Lord Allen has shown on the Crown Agents Tribunal former poachers can be the fiercest of gamekeepers).

9. As to terms of reference, I do not believe that we are likely to do better than the words which the Prime Minister used in her answer to Mr Grimond:

To inquire into the way in which the Government Departments concerned discharged their responsibilities in the period leading up to the Argentine invasion of the Falkland Islands; and to report.

10. The Prime Minister may like to discuss this with the Home Secretary, the Foreign and Commonwealth Secretary and the Secretary of State for Defence; and (if she has a judge in mind) with the Lord Chancellor.

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ROBERT ARMSTRONG