Ref: A08802 CONFIDENTIAL PRIME MINISTER Falkland Islands Review This minute offers guidance on Mr. David Steel's letter of 22nd June. It may also help for your meeting with the Leader of the Opposition on 25th June if, as is possible, he raises the same points. Composition and Mandate. On this, Mr. Steel makes two separate points. He is against a

Government-appointed review committee, preferring one set up by Resolution of the House. Second, he wants to add one or two "independent" persons.

- On the first point, the sensitivity of much of the material to be examined means that the committee should be appointed by and report to the Government, so that the Government retains the capacity to prevent the disclosure of material that ought to be protected. But the intention is that the committee should produce a report which can be published, and the Government will not seek to take out anything except on strict grounds of protection of national security or avoidance of damage to international relations. There will be no deletions to avoid domestic political or official embarrassment. this basis is it possible for the committee to be given the widest possible access The fact that the review committee will be Governmentto sensitive material. appointed does not mean that it will be other than completely impartial in its approach to the facts, or that it will not have the support of Parliament. important thing is that those appointed to it should be people of experience and judgment who command the respect of all Parties.
- On the second point, you could say the larger the team the longer the job: only a small team of people with time to devote to the work will get the job done with the speed that everyone favours.

Scope

Mr. Steel believes that the review will be unnecessarily delayed if it 5. goes back twenty years rather than concentrating on the immediate prelude to the invasion. If the committee organises itself effectively, there is no

CONFIDENTIAL reason why it should not do a thorough job on the whole period within an acceptable time. It is not envisaged that it should examine the whole twenty year period in the same degree of detail: the proposed terms of reference make that clear. But the inquiry cannot establish the origins and causes of the crisis and help all concerned to draw lessons from it, unless the committee is able to look at the prelude to the Argentine invasion in its historical context. Failure to do this could result in serious distortions. Terms of Reference 6. Mr. Steel wants to broaden the terms of reference to take in arms sales policy to military regimes. This is inconsistent with his previous point: to examine what is clearly a separate matter would be bound to delay the review. It is hard to see the relevance of arms sales policy to what happened. As to an entirely separate review or inquiry, you might stick firmly to the position that the policies of successive Governments on arms sales had been made known many times in Parliament, which is the right place for such matters to be discussed. Robert Armstrong

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24th June 1982