

PRIME MINISTER

Falkland Islands Review: Terms of Reference

1. If the terms of reference are to be different from those which you have shown to Mr. Foot and other Opposition leaders, you will want to show the revised terms of reference to Mr. Foot when you see him tomorrow. I thought therefore that it might be worth giving you something on which you could reflect overnight.

2. The terms of reference suggested in your letter of 21 June to Mr. Foot were:

"To review the way in which the Departments concerned have under successive Governments discharged their responsibilities in relation to the Falkland Islands, with particular reference to the period leading up to the Argentine invasion of 2 April 1982; and to report."

3. As you have suggested, the simplest way of dealing with the concern expressed by Mr. Heath and Mr. Callaghan might be to revert to the text which we looked at on 11 June, which read as follows (I have added a reference to the dependencies):

"To review the way in which the Government Departments concerned have discharged their responsibilities in relation to the Falkland Islands and their dependencies, with particular reference to the period leading up to the Argentine invasion of 2 April 1982; and to report."

4. If you wanted terms of reference which focused even more sharply on the recent period, an alternative might be:

"To review the manner in which the Government Departments concerned discharged their responsibilities in relation to the Falkland Islands and their dependencies in the period leading up to the Argentine invasion of 2 April 1982,

/ having regard

having regard to the bearing upon policies and events during that period of policies and events in previous years and of relations with successive Argentine Governments on questions affecting the Islands; and to report."

SIR ROBERT ARMSTRONG

4 July 1982