

CONFIDENTIAL



10 DOWNING STREET

*From the Principal Private Secretary*

SIR ROBERT ARMSTRONG

FALKLAND ISLANDS REVIEW

I attach a copy of a letter which Mr Chapman Pincher has sent to the Prime Minister about the steps which the Labour Government took in 1977 when it was thought that there was a risk of military action by the Argentine Government against the Falkland Islands.

We have to be even more careful than usual in our dealings with Mr Pincher on this subject since I understand that he is acting as a special adviser to the Defence Committee of the House of Commons in their Falkland Islands inquiry. I am minded to advise the Prime Minister to reply to him on the lines of the attached draft. But before I do so I should be grateful to know whether you agree.

*RAW.*

14 July 1982

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DRAFT LETTER FROM THE PRIME MINISTER TO MR CHAPMAN PINCHER

Thank you for your letter of 10 July 1982 about the events leading up to the Argentine invasion of the Falkland Islands.

I was very interested to read what you said about the 1977 episode. I of course heard Mr Callaghan's own account of it in last week's debate on the Falkland Islands review. He did not say whether the Argentines were aware of what he described as "a Naval presence off the Falkland Islands." But as you may remember, Dr Owen said in the debate on 3 April "On the precedent of the past, it was possible to deploy a Naval force and to bring it back without any publicity." and I believe that his statement has been taken to refer to the Naval units which the Labour Government sent to the South Atlantic in 1977.

I have no means of establishing what happened in 1977 myself since, as you know, I have no access whatever to the papers of the Labour Government. But the committee of Privy Counsellors will be able to see the papers of past administrations as well as of those of the present Government, and I imagine that the events of 1977 are something which they may well wish to look into.