Ref: B06646

PRIME MINISTER

c Sir Robert Armstrong

Falklands White Paper (OD(82) 72)

BACKGROUND

You have already seen and commented upon an earlier draft of the White Paper on the lessons of the Falklands campaign which the Defence Secretary has circulated to the Committee for their approval to publish on 14th December. The White Paper is in three parts.

Part I describes the operation, in rather less detail than the Commander-in-Chief's Despatch which will be published as a supplement to the London Gazette on the same day.

Part II assesses the lessons to be drawn from the campaign.

Part III is a statement of policy and action to make good the losses of equipment and improve the capabilities of our forces.

HANDLING

- 2. You will wish to invite the <u>Defence Secretary</u> to introduce his paper and then invite other members of the Committee to comment. The Committee might then briefly discuss how the White Paper should be handled, particularly in relation to the Debate in the House of Commons being arranged for shortly before the Christmas Recess.
- 3. Points to cover on the text are
 - a. are there any controversial points in Part I, which will be compared with the Commander-in-Chief's Despatch? (For printing reasons Admiral Fieldhouse's Despatch will already have been finalised by the time of the OD meeting.)
 - b. Paragraph 119 contains the first official admission that the Exocet missiles which hit the Atlantic Conveyor were decoyed off their intended target: they were decoyed off a large warship and unfortunately "locked on" to a merchant ship which had no defence against them.

- c. Are the references to equipment helpful in defence sales terms? The French Exocet get frequent mention. It might be thought that paragraph 216 could be couched in more positive terms: the reliability of British equipment was indeed remarkable and a tribute to the British engineering skills as well as to the ingenuity of the servicemen who maintained it.
- d. On the paragraphs on public relations (255-257) the Defence Secretary is believed to attach importance to saying that we are consulting the press about how to do better in future.
- e. Part III is likely to attract most public attention since it announces changes in the defence programme decisions taken in 1981. The statement in paragraph 355 "unfortunately the defence programme has for several years been under intense and constant pressure" looks odd against the high priority which the Government has given to defence in public expenditure terms and the real increases which the defence budget has received since 1979.
- f. Paragraph 309 does not say how many Type 22 frigates are to be ordered now, nor does paragraph 311 specify the number of tanker aircraft to be bought. The Defence Secretary plans to minute colleagues with his shipbuilding proposals early next week. The choice of tanker aircraft lies between ex-British Airways Tristars and American DClOs. The Secretary of State for Trade minuted the Defence Secretary on 2nd December advocating the purchase of the Tristars: but Ministry of Defence officials are in favour of the DClO on budgetary and operational grounds. No final decision can yet be taken since bids from industry are not due in until next week. More generally, the Committee will wish to consider whether the proposed purchases of American equipment (Phantoms, Chinooks and possible tankers) could arouse criticism: there are, in fact, no available British alternatives to the Phantom and the Chinook. The Phantoms will be second-hand aircraft from the United States Navy or the United States Marines.
- g. The decision to maintain the numbers of destroyers and frigates in the operational fleet at 55 (paragraph 311e) will give the Naval lobby the opportunity to say that the Government has repented of its decision to reduce the number to 50.

- 4. A wider question which arises on the text is whether it gives sufficient emphasis to the support we received from our Allies. The only reference to this is a very general one in paragraph 26, under the heading Public Relations: but there is no mention, for example, of the logistic and equipment support we received from the United States or the readiness of our European Community partners to agree to the speedy imposition of economic sanctions on Argentina. This is a sensitive area, and it may be that the balance of advantage lies in keeping the reference unspecific. You might however like to ask the Foreign and Commonwealth Secretary to comment on this aspect.
- 5. On handling, you will wish to confirm that the business managers are content with publication of the White Paper on 14th December and have made arrangements for a Debate before Christmas.

CONCLUSION

6. The Committee might be guided to agree that the White Paper should be published on 14th December, subject to any amendments agreed in the discussion.

AM Consul

A D S GOODALL

3rd December 1982