

✓ cc Sir A Parsons

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MR. BUTLER

Debate on the Franks Report

I attach draft paragraphs on the intelligence issues raised by the Franks Report, for inclusion in the Prime Minister's speech in the debate next week.

2. These paragraphs have been prepared after consultation with the Foreign and Commonwealth Office and the Ministry of Defence.

Approved by
Robert Armstrong
and signed in his absence.

19th January 1983

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DRAFT PRIME MINISTER'S SPEECH

Intelligence Assessments Machinery

6.1 The Franks Committee considered that the machinery within Government for intelligence assessment should be reviewed, with particular reference to two points. First, the Committee suggested that during the period leading up to the invasion of the Falkland Islands the Joint Intelligence Organisation might not have given sufficient weight to the diplomatic and other indications that the Argentine Government's position was hardening in the early months of 1982, as compared with intelligence reports which tended to be more reassuring about the prospects of an early move to any kind of military confrontation. The Franks Committee thought that there should be a look at the arrangements for bringing to the attention of the Joint Intelligence Organisation information other than intelligence reports.

6.2 Second, the Committee suggested that the independence in operation of the Joint Intelligence Committee from the Government Departments principally constituting it should be emphasised by having the Chairman of the Joint Intelligence Committee appointed by the Prime Minister and being a full-time member of the Cabinet Office, with a more critical and independent role..

6.3 The Committee emphasised that these recommendations were aimed at correcting what, as a result of its review, it saw as possible weaknesses in the arrangements for assessing intelligence; it did not seek to attach any blame to individuals.

6.4 Mr. Speaker, these are matters which it is our custom not to discuss in public, or on the floor of the House, for obvious and very good reasons. But the Franks Committee has made these observations and suggestions, and I believe that the House would expect me on this occasion to say enough on the subject to demonstrate that we have taken those observations very seriously, and we are taking the appropriate action.

6.5 The Government has itself been reviewing the intelligence assessments machinery. We had come to certain provisional conclusions before the Franks Committee reported, but we thought it right not to take final decisions until we knew what the Committee had to say on the subject.

6.6. On the first point, it is clearly a matter for judgment by those responsible for assessment as to what relative weight should be attached to information from intelligence sources and to information from other sources. That is not a question of organisation. Organisationally what matters is that all the available and relevant information from all sources reaches those who have to make the assessments. I can assure the House that those responsible for making assessments have access to all the relevant reporting from our diplomatic posts overseas, both on the attitudes that members of our missions overseas encounter in the countries where they are serving and on media reporting in those countries on current issues of significance for British Foreign policy making. They also of course take full advantage of the product of agencies such as the BBC Monitoring Service. Our missions overseas are already aware of the importance of maintaining a full coverage on the

policies and attitudes of the governments to which they are accredited. My right hon Friend the Foreign and Commonwealth Secretary is taking steps to ensure that his Department is reminded of the continuing need to make all such reports fully available to those responsible for intelligence assessment.

6.7 On the composition of the Joint Intelligence Committee itself the Franks Committee's report may give rise to some misunderstanding. Under successive Governments in recent times the Chairman of the Joint Intelligence Committee has been a senior official of the Foreign and Commonwealth Office, who has combined this work with other duties in the Foreign Office; but as Chairman of the JIC he has not been responsible to the Foreign and Commonwealth Secretary. He has been appointed with the approval of the Prime Minister, and has been responsible to the Prime Minister through the Secretary of the Cabinet. This arrangement has worked satisfactorily with a succession of chairmen.

6.8 Nonetheless we had ourselves come to a very similar conclusion to that reached by the Franks Committee. We think it right that the chairmanship of the JIC should in future be held by a member of the Cabinet Office who is able to give more time to supervising the work of the assessments machinery. I therefore intend to appoint as Chairman of the JIC someone who will be an official of the Cabinet Office and will be engaged full time on intelligence matters. He will have direct access to me, as do the heads of the security and intelligence agencies.

6.9 I also propose formally to lay on the JIC organisation a more definite responsibility to keep watch for developing situations that might threaten British interests. Hitherto it has been regarded as primarily the business of the Departments of State (particularly the Foreign and Commonwealth Office and the Ministry of Defence) to identify threats and decide upon action to meet them. The changes I have in mind will not absolve the Departments from those responsibilities; but they will, I hope, enable the Joint Intelligence Organisation to be an additional source of advice to Ministers on the identification of threats and an additional spur to timely and effective decision-making on the responses to them.

6.10 Mr. Speaker, I hope that the arrangements I have described will ensure that the intelligence assessments machinery is fully provided with all relevant information, and works as effectively as possible for the purpose of identifying threats to British interests and making sure that prompt and effective consideration is given to the responses that those threats call for from Her Majesty's Government. It will continue to be the responsibility of Departments - and of course ultimately of Ministers - to decide what action should be taken, and to put it into effect.