

CONFIDENTIAL

FALKLAND ISLANDS
REVIEW COMMITTEE

FIRC / 1 / 2

MEETING / AGENDAS

2ND MEETING

CAB 292/4

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163

Mr Smith	6/8

CAB 292/4

CONFIDENTIAL

1. Agenda for 2nd Meeting of FIRC due to be held on 5.8.82 at 10.30 am.

2. Brief for Chairman prepared by A.K. Rawsthorne (Secretary)

AKR

10.8.82

Draft Minutes of 2nd Meeting enclosed as within

AKR

10.8.82

FALKLAND ISLANDS REVIEW COMMITTEE

Programme of meetings to end of November

October

Monday, 18
Tuesday, 19 (not Lord Barber in the morning)
Friday, 22

Monday, 25
Tuesday, 26
Wednesday, 27
Thursday, 28

November

Monday, 1
Tuesday, 2 (not Lord Barber am?)
Wednesday, 3 (not Sir Patrick Nairne)

Monday, 8
Thursday, 11
Friday, 12

Monday, 15
Tuesday, 16
Friday, 19

Monday, 22

Monday, 29
Tuesday, 30
Wednesday, 1 December.

FALKLAND ISLANDS REVIEW COMMITTEE

Programme of meetings to 15 October

Thursday, 5 August

Wednesday, 1 September

Thursday, 2 September

Wednesday, 8 September

Thursday, 9 September

~~Friday, 10 September (morning only)~~

Wednesday, 15 September

Thursday, 16 September

Tuesday, 28 September

Wednesday, 29 September

Monday, 4 October

Tuesday, 5 October

Monday, 11 October

Thursday, 14 October

Friday, 15 October (morning only).

All meetings will start at 10.30 am and, except for those on Friday, 10 September and Friday, 15 October, finish at about 5.00 pm.

A R Rawsthorne
(Secretary)

28 July 1982.

FIRC 2nd Meeting Minutes

FALKLAND ISLANDS REVIEW COMMITTEE

Minutes of a meeting held on Thursday 5 August 1982 in Room 1/95, Old Admiralty Building

Present: Lord Franks (Chairman)
 Lord Barber
 Lord Lever of Manchester
 Sir Patrick Nairne
 Mr Rees
 Lord Watkinson
 Mr Rawsthorne)
 Mr Smith) Secretariat

I. MINUTES OF 1ST MEETING.

1. The minutes of the first meeting were approved, subject to the addition of "effect" at the end of the first line of paragraph 20(vi)(d) on page 8.

II. MATTERS ARISING

Written and Oral Evidence

2. The Chairman referred to some further letters he had received from, among others, Mr Eldon Griffiths, MP, suggesting that the Committee might like to see Lord Buxton; from Dr. David Owen, MP, passing on a letter written on 4 April from a Captain Davies, claiming to have known six weeks before that date the precise date of invasion; from a clergyman who was Rector of the Falkland Islands from 1975 to 1978; and from Lord Swann saying that there was a good deal of talk in media circles that journalists had been predicting the invasion.

3. In a brief discussion of the last point it was agreed that the media dimension was important, but journalists should not be invited to give oral evidence unless they were able to make a written submission which indicated that it would be worth while to question them further. So far no journalists had responded to the request for evidence. One test that might be applied was whether they had reported any events before the invasion that had escaped the notice of the intelligence agencies. The Secretary would circulate a summary of the letters received, together with copies of the more significant ones.

Intelligence Matters

4. The Secretary had written to Sir Robert Armstrong on the lines agreed by the Committee about making use of Sir Leonard Hooper's services. The Chairman said that Sir Robert Armstrong had also spoken to him about one form of intelligence material. He had offered to arrange further briefing for the Committee as a whole, and it was agreed that it would be helpful if Sir Robert Armstrong were invited to talk to the Committee himself on this matter.

Documentation

5. To answer questions raised at the previous meeting a note had been obtained from the Cabinet Office about the arrangements for the transmission and handling of intelligence reports, and was circulated at the meeting (FIRC 4).

6. The Secretary reported that the following further papers had been received: a detailed narrative from the FCO covering the period from 22 December; a further section of the MOD catalogue covering the period from 1974 to 1979; and GCHQ reports for 1976, 1977, 1981 and 1982. Folders of Hansard extracts had also been assembled. The Secretary was asked to obtain copies of the Falkland Islands newspaper for the period before the invasion.

Witnesses

7. The Chairman had written to the former Prime Ministers on the lines agreed at the previous meeting, and also told Sir Robert Armstrong of the Committee's plans for taking oral evidence. It was agreed that this information should be passed on to the Ministers who had resigned as well.

8. It had been suggested that the Committee should look at the proceedings of the 1922 Committee, but it was thought unlikely that much assistance would be derived from this source, especially as the Committee's records were likely to be unreliable.

III. CONSIDERATION OF THE COMMITTEE'S REMIT

9. The Chairman asked the members of the Committee for any general impressions they had formed from their reading of the papers so far.

10. Lord Watkinson said that he felt uneasy about the role of the JIC; it seemed to have failed to trigger a response to evidence from various sources of a hardening of Argentina's attitudes. He would also like to know, in so far as it was possible to establish it, what was in the Argentine Government's mind in the first two or three weeks of March 1982. They appeared to have seriously misjudged the likely attitude of the United States to military action, and he wondered whether Mr Enders's visit in March had contributed to this. One possible reading of the situation was that Admiral Anaya had formulated a plan for the invasion of the Islands, which was finally triggered off only days beforehand by the escalation of the South Georgia incident.

11. Mr Rees said that he, too, had doubts about the JIC's role. He also thought that it would be important to prepare a resumé of different Governments' policy that would not be criticised as inaccurate by the former Prime Ministers and Ministers concerned. Other points he had noted were the apparent absence of contingency plans; the emphasis on diplomacy right up to the invasion; and the parallel with events in 1977.

12. In discussion of the 1977 episode, it was agreed that it would be important to ascertain the reasons for the deployment of naval vessels to the area and for their withdrawal and whether the Argentines were ever told of it (given the recent conflicting statements about it).

13. Summing up the discussion, the Chairman said that the questions for the Committee to answer were: what was special about the 1977 negotiations that prompted the Government to send a task force; what its purpose was; and whether it was relevant to draw a comparison with events in 1982.

14. Lord Lever said that he had tried to form a view of the longer-term structure of policy over the period. It appeared to him that successive governments were unambiguously committed to defend the Islands, but at the same time had deliberately taken no steps to do so effectively. They recognised that transfer of sovereignty was the only ultimate solution - but could not say so without prejudicing the negotiations - while remaining firmly committed to respecting the Islanders' wishes. The main pressures that prevented the Argentines from invading were their desire to maintain esteem in the opinion of the world, most of which supported them, and an expectation that they could secure their objective by negotiation. The British Government's aim was there-

fore to keep Argentine hopes of negotiation alive in the belief that as long as they did so the likelihood of invasion was small, and did not require serious contingency planning. The military response was also conditioned by the view that any show of strength might undermine Argentine hopes of a negotiated settlement.

15. The Chairman said that some of the points he had noted from the FCO papers were:

- (i) the bias of the preamble to UN Resolution 2065, which referred to "the cherished aim of bringing to an end everywhere colonialism in all its forms";
- (ii) the fact that only in 1965/66 was sovereignty regarded as not negotiable;
- (iii) a publicly stated official policy during the last 16 years of asserting and maintaining sovereignty, combined with a desire to see the problem go away, which could only be achieved by a transfer of sovereignty;
- (iv) the consistency of the Argentine line, accompanied from 1976/77 by a more menacing tone, which had been maintained with fluctuations since then and become still more menacing at the beginning of March 1982;
- (v) successive attempts, in the light of awareness that the Islands could not be defended, to find a device to transfer sovereignty in "all but name" (condominium, a Maritime Commission for the Dependencies, leaseback, etc.);
- (vi) a distinction between "adventurist" incidents, which the Argentine Government had discouraged, and the landings on Southern Thule and South Georgia; the FCO appeared ready to go to any lengths to avoid direct confrontation.
- (vii) the MOD line was clearer. Their commitment to the area was increasingly grudging. The military contingency plans were not real contingency plans but paper assessments of the possible responses to various forms of Argentine action. The overall impression that was left was that the Government would not defend the Islands.

16. In discussion it was generally agreed that there was a continuity of policy over the period, but, it was suggested, the question for the Committee to answer was whether what broke the continuum was a sudden and unforeseeable event that occurred too late for counter-measures to be taken.

17. Sir Patrick Nairne said that he had tried to clarify the issues for himself by formulating the case for and against the Government. A possible defence of Government policy might be developed on the following lines: successive governments understood the unchanging nature of the Argentine claim to sovereignty and the serious economic and military consequences of isolation from Argentina. They had nevertheless relied upon a token military force in the South Atlantic. Successive defence reviews had confirmed the low strategic priority attached to the area. The deployment first of HMS Protector and then of HMS Endurance was apparently effective in demonstrating the Government's commitment to sustain its sovereignty position. The vigour with which Argentina pressed its sovereignty claim ebbed and flowed over the years. The reasonable assumption was made that the Falkland Islands issue could be watched by normal political monitoring and that, if Argentina became more aggressive, it would take economic measures first. It was the shared view of the MOD and FCO that a successful resolution of the issue had to be found as it was clearly recognised that the military options were limited. The present Government had pursued negotiations since early 1980, which had not ruled out a change in status for the Islands. Although unwilling to accept the negotiating momentum of Argentina, they reasonably expected further negotiations later in 1982. Following the February 1982 negotiations, the Ambassador and intelligence sources discounted military action or even Argentine Government involvement in planning the South Georgia incident. In the light of this it would have been quite unreasonable to deploy forces in the area in early March 1982. Political and intelligence evidence was closely watched throughout March, and as late as 31 March the JIC took the view that the "Argentine Government does not wish to be the first to adopt forcible measures". The British Naval Attaché's report of 14 April 1982 underlined the difficulty of monitoring the movement of the Argentine Navy. In any event, deployment of an SSN required 12/13 days to get on station.

18. In discussion of the role and composition of the JIC, it was pointed out that the lack of JIC reports from July 1981 until 31 March 1982 suggested either that the threat was not properly assessed or that there was difficulty in obtaining the relevant information.

19. Sir Patrick Nairne then outlined possible criticism of Government policy. For the twenty years in which a small token force was deployed in the South Atlantic HMG had maintained a commitment to defend the Islands which had not weakened. The policy of the present Government had destabilised the situation by seeking to negotiate lease-back, which demonstrated a readiness to contemplate a changed status, and by the decision to pay off Endurance, which for long had been the token of our commitment. There was no clear evidence that the political impact of these two measures in Argentina was fully assessed in Whitehall. The Chief Secretary's remark of 24 September 1981 about the risk that the Islanders would assume that "HMG will bail them out" was significant. JIC assessments, although never highlighting the military threat, never ruled it out and specifically indicated that, if the Argentine Government felt that stalemate had been reached, swift military action could follow. The JIC did not seem to have reassessed Argentina's attitude as negotiations progressed. During early 1982 the reaction of Parliament and the attitude of the Islanders made the prospect of successful negotiations very unlikely. This spelt stalemate to Argentina just when they were particularly concerned to maintain momentum. The JIC and FCO seem to have taken Argentine MFA reassurances too much at face value, in preference to contra-indications, in particular the economic pressures in Argentina, which increased the attraction of diversionary measures; Admiral Anaya's aggressive attitude; and the increasingly belligerent tone of Government-inspired press comment. Meanwhile no contingency plans existed in Whitehall; and no action was taken to inject a sense of urgency into re-assessing the military situation, at least until after the South Georgia incident. Thus, while Whitehall always recognised that ultimately there could be military/economic action against the Islands, there was an apparent failure to recognise that serious frustration could have drastic consequences more quickly in Argentina; and to consider earlier what might be done if the Argentine mood suddenly changed or the long-accepted risk of military measures became a reality.

IV. FURTHER WORK

20. The Chairman suggested that the Committee should aim to complete its first reading of the main papers by the end of August. It would be helpful if members could identify (and list, with reasons for their inclusion), first the important events or issues in the earlier period which indicated the extent to which there was a continuum of policy, and, secondly, the incidents (both physical and political) in the more recent period which they thought significant. The

The objective should be for the Committee to form a sufficiently common approach in September to be in a position to question witnesses in October.

21. The Secretariat was asked to read the papers submitted by the Departments not principally involved and advise the Committee of any issues of importance contained in them.

V. NEXT MEETING

22. The next meeting would be held on Wednesday, 1 September, at 10.30 am in Room 1/95, Old Admiralty Building.

MINUTES OF THE LAST MEETING

You may like to ask whether there are any requests on the minutes as a record and, for future reference, to be made. At the end of the first line of paragraph 11 "action" should be added.

ARR

(A R Rawsthorne)
Secretary

MAITERS ARISING

Written and oral evidence, Department 102

13 August, 1982.

...acknowledged the written evidence to all the last meeting. You may like to mention some of the further matters that have been received, including those from Sir John ... suggesting that the Committee might like to see ... This would have amounted to a letter written on 4 April by a Captain ... that he was ... before the precise date of ... that ... which the Committee discussed at its last meeting, that there is a good deal of ... in media circles that ... the ... from a ... who was ... from 1972 to 1974, and from Sir Donald ... who was in the ... in the year ... however, the ... has not ... with a large ... I shall prepare a summary of all the ... that we have received from members of the public and circulate it to the Committee, with copies of the more significant letters, including all those from ...

LORD FRANKS

FALKLAND ISLANDS REVIEW COMMITTEE: 2ND MEETING

1. Following are some notes for the second meeting of the Committee, to be held at 10.30 am. We expect all the members to be present. I mentioned that, in Mr Moulson's absence, it would be helpful if Mr Smith could sit in to assist with note-taking. You may like to seek the Committee's views on this. If they would prefer Mr Smith not to sit in, I shall, of course, be glad to take the notes myself.

MINUTES OF THE LAST MEETING

2. You may like to ask whether there are any comments on the minutes as a record and, for future reference, on their form and style. At the end of the first line of paragraph 20(vi)(d) "effect" should be added.

MATTERS ARISING

Written and oral evidence (paragraphs 3-5)

3. We have acknowledged the letters referred to at the last meeting. You may like to mention some of the further letters that have been received, including those from Mr Eldon Griffiths, MP, suggesting that the Committee might like to see Lord Buxton; from David Owen passing on a letter written on 4 April by a Captain Davies claiming that he knew six weeks before the precise date of invasion; from Lord Swan making the point, which the Committee discussed at its last meeting, that there is a good deal of talk in media circles that journalists were predicting the invasion; from a clergyman who was Rector of the Falkland Islands from 1975 to 1978; and from Sir Donald Logan, who was in the area earlier in the year. Overall, however, the invitation to submit written evidence has not so far met with a large response. I shall prepare a summary of all the submissions that we have received from members of the public and circulate it to the Committee, with copies of the more significant letters, including all those from MPs.

Security (paragraphs 6-7)

4. We have arranged for the members to be provided with more secure containers at their homes, and we have also checked that it will be possible to arrange for witnesses to enter by a private entrance when they come to give evidence, as Lord Watkinson suggested.

Intelligence Matters (paragraphs 8-9)

5. I have written to Sir Robert Armstrong on the lines agreed by the Committee about making use of Sir Leonard Hooper's services.

Documentation (paragraph 12)

6. To meet the point at (ii) we have obtained a note from the Cabinet Office (FIRC 4) about the arrangements for the transmission and handling of intelligence reports.

7. On (iii) the Committee will wish to keep in view the request to heads of departments for some form of certificate that all relevant papers have been supplied to the Committee. Perhaps the time to ask for this would be early in September.

8. On (vi) we have now received a detailed narrative from the FCO covering the period from 22 December, with supporting documents, a further tranche of the MOD catalogue covering the period from 1974, and GCHQ reports for 1976, 1977, 1981 and 1982.

9. On (vii) we shall have available at the meeting extracts of all relevant debates in Parliament.

Witnesses (paragraphs 17-18)

10. You will wish to inform the Committee that you have written to the former Prime Ministers and also given an indication to Sir Robert Armstrong for passing on to the Ministers who resigned of the Committee's plans for taking oral evidence. As you know, both Mr Atkins and Mr Luce have been in touch with me.

CONSIDERATION OF COMMITTEE'S REMIT

11. You may like to start the discussion by giving an account of the "impressions" you have so far formed from your reading of the papers. This would be useful, both to see whether they coincide with other members' impressions and as a corrective to what I suspect may be a tendency by others to concentrate exclusively on the most recent period, since they have naturally looked first at the more recent papers. You might then like to ask the others whether they wish to put forward views they had formed from the papers (so far only Lord Barber has been unable to come into the office); and invite Sir Patrick Nairne to outline the "case" for and against the Government on the basis of the further paper he has prepared.

12. Another possible line of discussion might be for the Committee to consider to what extent they see the critical issues to be matters of political judgment (and of the respective Ministers concerned, including the Prime Minister); of assessments by officials; or of questions of the machinery of government (eg how intelligence material is assessed).

13. The Committee might also like to give some preliminary thought to the papers that will need to be prepared. I hope to complete in the next day or so the detailed chronology of events from 19 March. Sir Patrick Nairne has in mind, I think, that the Committee should have a "common brief" as a basis for questioning witnesses, but it may not yet be in a position to identify precisely enough the sort of questions it will wish to ask. Mr Rees thinks that we should have a clear statement of the positions taken by different governments, on the basis of Cabinet and Cabinet Committee papers, which should be agreed with the former Prime Ministers concerned. More generally, we should probably start before too long to put together a first draft of a narrative of events from 1965 to 1981, which would probably eventually form a chapter of the report. It would be helpful to have guidance from the Committee on the relevant priority to be attached to these (and any other) tasks.

FUTURE MEETINGS

14. A list of future meetings up to 15 October has been circulated. The next are on Wednesday and Thursday, 1 and 2 September. Room 3/83 has been booked for all the meetings for lunch; it would be helpful to know whether the members will want lunch provided on the two Fridays, when the Committee is due to finish at 1.00 pm.

ARR

4 August, 1982.

(A R Rawsthorne)

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FIRC 2nd Meeting Agenda.

FALKLAND ISLANDS REVIEW COMMITTEE

The next meeting of the Committee will be held at 10.30 am on Thursday, 5 August in Room 1/95, Old Admiralty Building.

AGENDA

1. Minutes of the last meeting (FIRC 1st Meeting Minutes - circulated herewith). - *see FIRC/1/1*
2. Matters arising.
3. Consideration of Committee's remit: continuation of discussion from last meeting. (Further papers will be circulated at the meeting.)
4. Any other business.

A R Rawsthorne

A R Rawsthorne
Secretary.

2 August 1982.