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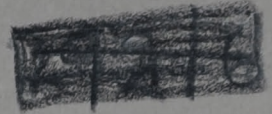
FALKLAND ISLANDS
REVIEW COMMITTEE

FIRC /1/4

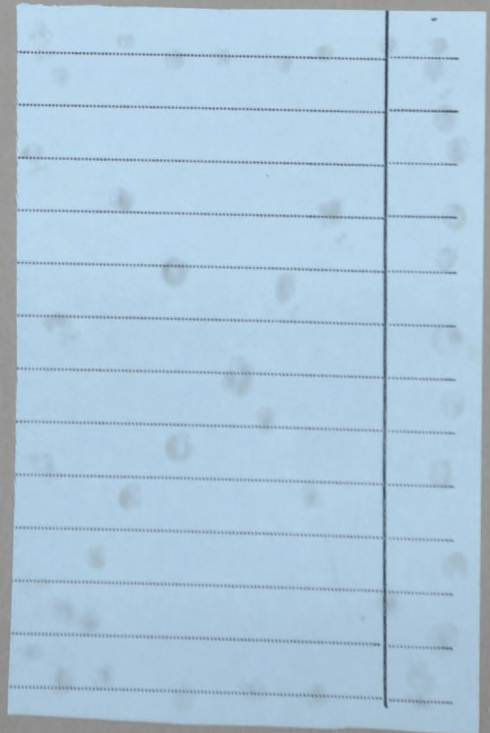
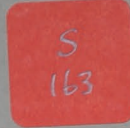
MEETINGS / AGENDAS

4TH MEETING

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FIRC 4TH MEETING MINUTES

FALKLAND ISLANDS REVIEW COMMITTEE

Minutes of a meeting held on Wednesday 8 and Thursday 9 September 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 } Secretariat
 Mr Moulson }

Introductory remarks by the Chairman

The Chairman suggested that it would be useful for the Committee to have a paper setting out the facts relating to contingency plans prepared by the MOD between June 1981 and April 1982. The Committee agreed and asked the Secretary to prepare the paper in consultation with Sir Patrick Nairne and Lord Watkinson.

2. Lord Lever undertook to consider the FCO papers relating to the UK's strength of title by the next meeting.

Minutes

3. The Committee agreed the minutes of the 3rd meeting.

Documentation

4. The Secretary drew the attention of the Committee to additional reports which had come in from GCHQ.

Correspondence

5. The Chairman said that copies of the correspondence between the Prime Minister and the Foreign Office Ministers who had resigned in April were now available to the Committee but they appeared to shed no new light on the reasons for the resignations.

6. The Chairman showed the Committee a letter he had received from the editor of the Economist, Mr Andrew Knight, enclosing correspondence with Dr David Owen which shed light on the extent of contemporary knowledge about the task force sent in 1977. The Committee agreed that there was now no need to write to Dr Owen as had been agreed at the last meeting. Mr Rees reported a recent conversation he had had with Mr Callaghan.

Written evidence

7. The Secretary said that, in response to the Committee's request, a summary had been prepared of all the written evidence sent to the Committee to date and a copy was available for each member of the Committee in FIRC 13.

Oral evidence

8. Mr Rees said that he had considered which MPs might be invited to give oral evidence. He took the view that MPs had been given an opportunity to submit evidence and, if they had failed to take it, there was no need for the Committee to approach them. The Committee might feel, however, that the substantial submissions from Sir Bernard Braine and Mr Tam Dalyell warranted an invitation to give oral evidence. The Committee agreed.

9. The Committee agreed the text of a note it would issue for the guidance of those giving oral evidence (Annex A). It was most unlikely that it would wish to publish the oral evidence, except in so far as it referred to it in its report, but there was no need to make a final decision on the point yet.

10. The Chairman suggested that the Committee should aim to complete its programme of interviews in October.

11. The Committee considered a note by the Secretary (FIRC 11) which set out a list of those whom the Committee had decided at its last meeting it might wish to see. In discussion the Committee agreed that it would find it useful to have a preliminary meeting with Sir Robert Armstrong to learn about the structure and functioning of the intelligence organisation (and in particular about the distribution of intelligence) and about the mechanism for deciding the business of Cabinet Committees. This would be an opportune occasion for Sir Robert Armstrong to complete the Committee's briefing on other intelligence matters. The Committee also agreed that the Chairman should separately consult Sir Antony Acland about the procedure for inviting diplomatic staff to give oral evidence.

12. The provisional programme of oral evidence agreed by the Committee is attached (Annex B). The Committee agreed broadly to the order of the interviews suggested in FIRC 11 and asked the Secretary to draw up a programme, taking account of people's availability, and to draft letters of invitation.

Discussion of events in 1981 and 1982

13. The Chairman suggested that the Committee might focus on the later period, that is the events leading up to 2 April 1982. He outlined what he saw as the most significant developments. A new impetus to the Argentine claim was demonstrated in their communique to the British Government in June 1981. Following this there was a significant meeting between the Minister of State at the FCO, Mr Ridley, and officials to discuss the appropriate UK response. This meeting also addressed the question of contingency plans. The increased sense of urgency on the Argentine side was reflected in a subsequent tele-letter from the Ambassador in Buenos Aires. The Argentines reiterated their position in the *haut de papier* in January 1982. This communication gave a clear sight of the situation through Argentine eyes and contained some warning signs for the British Government, a new precision in the timetable and scope of the negotiations. There were other signs. At around about this time appeared the articles in the Argentine newspaper 'La Prensa'. There was evidence that the journalist responsible for these articles was being directed by people in the Argentine Government. (In discussion it was suggested that the purpose of such inspired articles might have been simply to put pressure on the British Government in advance of the forthcoming negotiations. It was also pointed out that the same articles had talked about Argentine action against the

British and the Falkland Islands which stopped short of military invasion.) Between the bout de papier in January and the negotiations, conducted on the UK side by Mr Luce, in early February came a letter from the British Ambassador in Buenos Aires confirming his view that the British negotiations could expect a less flexible attitude on the part of the Argentines and making the forecast that the Argentines would expect tangible results by the beginning of 1983. This could be construed as meaning that something would happen in 1982 but there were still no indications of Argentine action as early as April. The threat of action was made in the statement issued by the Argentine Ministry of Foreign Affairs directly after the negotiations. A significant meeting took place in the FCO on 5 March, chaired by the Foreign Secretary, which discussed the response to the recent Argentine communique. There did not seem to be a formal record of that meeting although the action decided upon was minuted. This was also said to be the first time Ministers were told about the previous Government's decision to send a task force in 1977. (The Committee considered whether it would have been proper to disclose this decision earlier. The point was made that officials could quite properly have put forward the option of sending a task force without referring specifically to decisions of a previous Government.) The meeting decided on quite a tough reply to the Argentine Government and also considered taking the matter further with the UN and, for the first time with the United States Government. It agreed that the matter would need to be taken to OD but there seems to have been no urgency about this. The FCO's growing concern seems to have been reflected in a letter from Mr Ure to the Governor of the Falkland Islands dated 4 March in which he describes the situation as, "perilously near to confrontation".

14. The Chairman suggested that on the basis of these facts, the Committee might consider two questions:

- i. Ought the Government to have responded earlier and more decisively to the growing impatience of the Argentines as it emerged in the summer of 1981 and developed in stages until April 1982? and;
- ii. Would it be reasonable to say that following the fruitless negotiations in New York in February and the subsequent exchange of communiques there was no longer any prospect of meaningful talks and that this should have prompted the Government to look more seriously and urgently at alternative courses of action?

In discussion it was suggested that it was unfair to say that the negotiations had effectively broken down by the beginning of March - there was still one round to go - but it was agreed that these were points that should be put to the witnesses. The point was also made that the "other measures" threatened by the MFA need not necessarily mean military force.

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Review of the MOD papers

15. The Chairman invited Lord Watkinson and Sir Patrick Nairne to review the written evidence submitted by the MOD.

16. Lord Watkinson suggested that there were two factors of particular significance; the consideration given in 1977 and 1978 to the sending of ships to the South Atlantic and, the consideration given in 1981 to military contingency plans. The evidence showed that the decision to send a task force in 1977 was taken in the context of a decision earlier in the year to make use of ships already in the South Atlantic on exercise. This earlier decision had been made following the Argentine landing on South Thule. The Government returned to the possibility of a task force later in the year, and decided that ships should be sent with a purpose, and again in 1978 when this time the option was turned down. Military contingency planning seemed therefore to have been very much in the minds of the Government at that time. This was a contrast to the position in 1981 when contingency planning, which was revived following Mr Ridley's meeting in June, was dominated by the assessment that the Argentines were more likely to undertake economic or small scale military harassment of the Islands. The military contingency plans which existed were simply hypothetical options or a British response to possible forms of Argentine action. They did not look deeply at logistics and the deployment of men and equipment. The MOD did not seem to have been under any pressure to produce more detailed plans or to produce plans quickly. This continued until the Prime Minister's request made directly to the Minister of Defence in early March. The MOD's response was the first occasion on which the MOD seems to have got down to the level of detail of assigning particular ships. Up until this time the main topic of correspondence between the FCO and the MOD concerning the South Atlantic appeared to be the future of HMS Endurance. Lord Watkinson suggested that it would be useful for the Committee to ask the Chiefs of the Defence Staff how seriously they regarded these contingency plans.

17. Sir Patrick Nairne said that the defence review in the mid-60s seemed to set the pattern for the defence interest in the Falkland Islands, the Islands were clearly peripheral to the defence responsibilities. It would be interesting to know whether this attitude changed over the period to 1982 and whether there were other special factors to take into account, for example the Argentine Government's attitude towards Soviet naval activity in the area or the purported talks between the United States and Argentine Governments about a base on the Falkland Islands. A further area for investigation might be the consideration given by the Chiefs of the Defence Staff to contingency plans in the event of

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Argentine military aggression since 1974 when the possibility of a full scale invasion appeared to be mentioned for the first time. In view of the lack of written evidence, it would be useful to ask when the Chiefs of Staff last discussed plans for the defence of the Falkland Islands or, more generally, the South Atlantic. Such discussions may not necessarily have been on the basis of formal papers, but might nevertheless be significant. A further area of importance was the MOD's view of the effectiveness of the British deterrent capability in the South Atlantic, including the overall naval capability, which would be affected by NATO commitments.

The MOD seemed to have taken the view in 1976 when the future of the airfield was being discussed that the defence interest was not sufficient to warrant an extension of the runway. In the recent debate about the Endurance the MOD seemed to have taken the view that the ship's value was symbolic rather than useful for defence purposes and therefore should be the responsibility of the FCO. It would therefore be useful, in interviews with the Chiefs of Staff, to get a clearer view about the defensibility of the Falkland Islands and in particular on the MOD's attitude about the defence role of HMS Endurance.

18. The Committee considered points which might be followed up in oral evidence:

- i. Why the FCO did not push harder to retain HMS Endurance. The decision on Endurance was taken without reference to OD Committee or to the Prime Minister. This may have been because of the assessment that the Argentines were unlikely to take drastic military action. Also, the importance of the Endurance to both the MOD and the FCO would have to be considered in the context of their other defence interests.
- ii. The significance of the Endurance from the point of view of the Government's responsibility for the defence of the Falkland Islands. For all its limitation as a deterrent the Endurance was a visible demonstration of British presence in the area and could act in the role of policeman. It was also an additional source of intelligence in the area.
- iii. What was the attitude of C in C Fleet towards the Government's responsibility to defend the Islands and what role did he play? Did, for example, the Chiefs of Staff consider in 1981 or 1982 the option of sending a task force?

iv. What lay behind the apparent lack of urgency and why, despite the activity among officials at relatively junior level in both departments, was there no prompting of Ministers to consider the deterioration of the negotiating position and the weakness of the British military position in the South Atlantic which a breakdown in negotiations would expose? Eventually it appeared to be left to the Prime Minister to accelerate the contingency planning process.

v. How the progressive economies in defence expenditure influenced the position. Was this a gradual process or had there been particular points at which the British position in the South Atlantic was changed significantly, for example the focus in 1980/81 on cutting navy expenditure could have influenced the Argentine attitude to the strength of Britain's commitment in the South Atlantic? Britain's increasing commitments to NATO would also be relevant.

vi. Whether there was in 1981 and 1982 sufficient evidence of a new Argentine threat on which to base the argument that Government departments ought to have acted sooner and, in addition, whether it would be reasonable to expect Ministers and senior officials to have called for advice.

Next meeting

19. The next meeting was arranged for 10.30 am on Wednesday 15 and Thursday 16 September. The Chairman suggested that the Committee might consider how to prepare its questions for the programme of oral evidence.

FIRC
Old Admiralty Building
Whitehall
London SW1A 2AZ

13 September 1982

FALKLAND ISLANDS REVIEW COMMITTEE

Notes of guidance for those giving oral evidence

The Committee's interviews will be held in Room 1/99, Old Admiralty Building, Whitehall, SW1. The main entrance is in The Mall at the side of Admiralty Arch.

2. The interviews will be held in private.
3. The Committee's proceedings are confidential, and those giving evidence are asked not to disclose the content of their interviews.
4. They will be recorded verbatim, and a copy of the transcript will be sent to each witness for perusal and return. It will be open to any witness at this stage to amplify or amend in writing points made in his oral evidence.
5. In its report the Committee will not comment adversely on the performance or judgment of an individual without having given him in advance specific details of the proposed criticism and an opportunity to rebut it before the Committee.
6. Questions about the arrangements for taking oral evidence may be addressed to the Secretariat (Mr A R Rawsthorne, telephone number 01-273 5106, or Mr P G Moulson, telephone number 01-273 4569).
7. The Committee's terms of reference, which were announced by the Prime Minister on 6 July 1982, are set out overleaf. The decision to set up a Falkland Islands Review was debated and approved by the House of Commons on 8 July.

FALKLAND ISLANDS REVIEW COMMITTEE

Terms of reference

To review the way in which the responsibilities of Government in relation to the Falkland Islands and their dependencies were discharged in the period leading up to the Argentine invasion of the Falkland Islands on 2 April 1982, taking account of all such factors in previous years as are relevant; and to report.

FIRC'S PROVISIONAL PROGRAMME OF ORAL EVIDENCE

Ministers of current Administration

- | | | | |
|----|----------------|---------|--|
| 1. | Prime Minister | 2 hours | Late in programme. |
| 2. | Mr Nott | 1 hour | One session earlier,
poss. another later. |
| 3. | Mr Ridley | 1 hour | |

Ex-Ministers of current Administration

- | | | | |
|----|-----------------|-------------------|--|
| 4. | Lord Carrington | $\frac{1}{2}$ day | |
| 5. | Mr Atkins | 1 hour | |
| 6. | Mr Luce | 1 hour | |

Ex-Prime Ministers

- | | | | |
|----|-------------------|---------|--|
| 7. | Sir Harold Wilson | 1 hour | |
| 8. | Mr Heath | 1 " | |
| 9. | Mr Callaghan | 2 hours | |

Ex-Ministers

- | | | | |
|-----|-------------|---------|--|
| 10. | Dr Owen | 2 hours | |
| 11. | Mr Rowlands | 1 hour | |

Government Departments

- | | | | |
|-----|--|-------------------|-----------------------|
| 12. | Sir Antony Acland and FCO | $\frac{1}{2}$ day | Preferably afternoon. |
| 13. | Sir Michael Palliser | 2 hours | |
| 14. | Mr Williams (ex-Ambassador BA) | 2 " | |
| 15. | Mr Hunt (Governor FI) | 1 hour | 28/29 September. |
| 16. | Sir Robert Armstrong and
Cabinet Office | 2 hours | |
| 17. | Sir Frank Cooper and MOD | 2 " | |
| 18. | Ad. Sir T Lewin and Chiefs of
Staff | 2 " | |
| 19. | Defense and Naval Attaches BA | 1 hour | |
| 20. | Capt. Barker (HMS Endurance) | 1 " | |

General public and MPs

- | | | | |
|-----|--|--------|--|
| 21. | Falkland Island Councillors | 1 hour | |
| 22. | Sir Bernard Braine MP | 1 " | |
| 23. | Mr Tam Dalyell MP | 1 " | |
| 24. | Lord Buxton | 1 " | |
| 25. | BBC representative (Alan
Protheroe) | 1 " | |
| 26. | IBA representative(s) | 1 " | |

Reserve list

Mr Healey
 Lord Home
 Captain Carlisle
 Mr Bush (D. Express)
 Mr Simon Winchester (S. Times)

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FIRC 4TH MEETING MINUTES

FALKLAND ISLANDS REVIEW COMMITTEE

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Lord Watkins

Mr Rawsthorne } Secretariat
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13 September 1982

FALKLAND ISLANDS REVIEW COMMITTEE

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7. The Committee's terms of reference, which were announced by the Prime Minister on 6 July 1982, are set out overleaf. The decision to set up a Falkland Islands Review was debated and approved by the House of Commons on 8 July.

FIS'S PROVINCIAL PROGRAMME OF ORAL WITNESS

Ministry of support Ministers

1. Prime Minister
2. Mr Holt
3. Mr Ridley

Ex-Ministers FALKLAND ISLANDS REVIEW COMMITTEE

4. Lord Carrington
5. Mr Atkins
6. Mr Ince

Terms of reference

Ex-Prime Ministers

7. Sir Harold Wilson
8. Mr Heath
9. Mr Callaghan

To review the way in which the responsibilities of Government in relation to the Falkland Islands and their dependencies were discharged in the period leading up to the Argentine

Ex-Ministers

10. Mr ...
11. Mr ...

Governors

invasion of the Falkland Islands on 2 April 1982, taking account of all such factors in previous years as are relevant; and to report.

12. Sir ...
13. Sir ...
14. Mr ...
15. Mr ...
16. Sir ...
17. Sir Frank Cooper and M.D.
18. Ad. Sir F Lewis and Chiefs of Staff
19. Defence and Naval Attachés in ...
20. Capt. Parker (1982 Malvinas)

General public and NGOs

21. Falkland Island Councilors
22. Sir Bernard Boyles MP
23. Mr Tom Dalgell MP
24. Lord Ruckers
25. BBC representative (Alan Prohacek)
26. IRA representative(s)

Reserve list

- Mr Bosley
Lord Bone
Captain Gardiner
Mr Bush (D. Express)
Mr Brian Winchester (S. Times)

CONFIDENTIAL

FIRC'S PROVISIONAL PROGRAMME OF ORAL EVIDENCE

Ministers of current Administration

- | | | | |
|----|----------------|---------|--|
| 1. | Prime Minister | 2 hours | Late in programme. |
| 2. | Mr Nott | 1 hour | One session earlier,
poss. another later. |
| 3. | Mr Ridley | 1 hour | |

Ex-Ministers of current Administration

- | | | | |
|----|-----------------|---------|--|
| 4. | Lord Carrington | 1/2 day | |
| 5. | Mr Atkins | 1 hour | |
| 6. | Mr Luce | 1 hour | |

Ex-Prime Ministers

- | | | | |
|----|-------------------|---------|--|
| 7. | Sir Harold Wilson | 1 hour | |
| 8. | Mr Heath | 1 " | |
| 9. | Mr Callaghan | 2 hours | |

Ex-Ministers

- | | | | |
|-----|-------------|---------|--|
| 10. | Dr Owen | 2 hours | |
| 11. | Mr Rowlands | 1 hour | |

Government Departments

- | | | | |
|-----|--|---------|----------------------|
| 12. | Sir Antony Acland and FCO | 1/2 day | Preferably afternoon |
| 13. | Sir Michael Palliser | 2 hours | |
| 14. | Mr Williams (ex-Ambassador BA) | 2 " | |
| 15. | Mr Hunt (Governor FI) | 1 hour | 28/29 September. |
| 16. | Sir Robert Armstrong and
Cabinet Office | 2 hours | |
| 17. | Sir Frank Cooper and MOD | 2 " | |
| 18. | Ad. Sir T Lewin and Chiefs of
Staff | 2 " | |
| 19. | Defense and Naval Attaches BA | 1 hour | |
| 20. | Capt. Barker (HMS Endurance) | 1 " | |

General public and MPs

- | | | | |
|-----|--|--------|--|
| 21. | Falkland Island Councillors | 1 hour | |
| 22. | Sir Bernard Braine MP | 1 " | |
| 23. | Mr Tam Dalyell MP | 1 " | |
| 24. | Lord Buxton | 1 " | |
| 25. | BBC representative (Alan
Protheroe) | 1 " | |
| 26. | IBA representative(s) | 1 " | |

Reserve list

Mr Healey
 Lord Home
 Captain Carlisle
 Mr Bush (D. Express)
 Mr Simon Winchester (S.Times)

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LORD FRANKS

FALKLAND ISLANDS REVIEW COMMITTEE

4TH MEETING

The following are a few notes for the 4th meeting of the Committee on Wednesday 8 and Thursday 9 September.

Minutes of the last meeting

2. The minutes of the last meeting have been prepared and will be circulated at the meeting. As the members will not have had an opportunity to read them, you may like to defer consideration of any points that members have on them until Thursday.

Matters arising

3. There are further developments to report on the following points:

i. Documentation

We have received some further reports from GCHQ, which you saw yesterday. These tend to confirm other evidence of the lateness of Argentina's decision to invade.

Lord Lever was asked to look at the FCO paper on HMG's title to the Islands. You may like to ask whether he

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has had a chance to look at them yet.

We have written to the MOD to ask whether there are any additional papers from service sources; to No 10 to ask for the text of the letters exchanged when the Ministers resigned (these have been received); and to Sir Robert Armstrong and the Permanent Secretaries of the three main departments concerned asking for a further check by their departments of papers.

ii. The 1977 incident

You will wish to report the letter from Dr Owen that the Editor of the Economist passed on to you, in which he says categorically (contrary to what he is reported to have said in the television interview) that the operation was covered and not disclosed to the Americans. In the light of this you thought that it was probably not worth writing to Dr Owen ourselves.

iii. Correspondence

A summary of the written evidence so far received has been prepared and will be available at the meeting.

Oral evidence

4. I have prepared a short note listing the possible witnesses and suggesting an order for interviewing in the light of our discussion yesterday. As the note indicates, the suggested order is at variance with that envisaged by Sir Patrick Nairne. You may like to consider re-opening the question of seeing Lord Carrington (and possibly one or two others) on an informal basis in the first instance. I see

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some difficulty about this, but you may not wish to disturb what was agreed at the last meeting.

5. The aim will be to reach sufficient agreement on the witnesses to be invited and the order to enable us to start trying to fit people into appropriate dates. The Committee may also like to consider what should be said to witnesses when inviting them to give evidence about the basis on which the interviews will be conducted etc. You may like to ascertain whether the Committee is content for us to write or whether it wishes to see a draft at its next meeting.

6. You also had it in mind to suggest an informal meeting with Sir Robert Armstrong and others to discuss the way in which the intelligence machinery operates. If the Committee agrees, we can lay this on fairly quickly. In this connection the Committee may like to give further consideration to what if any role Sir Leonard Hooper might be asked to perform.

Contingency plans

7. You had it in mind to suggest to the Committee that a paper on contingency plans might be helpful and that Sir Patrick Nairne, given his knowledge of the MOD, might be asked to supervise it.

Further consideration of the issues

8. In the time remaining the Committee may wish to turn to consideration of the main issues since it will be necessary to have an agreed view of these before interviewing witnesses. The most important issue on which it is desirable to work

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towards an agreed view is whether there really was a significant change in the tempo from about the beginning of 1982. This will probably take up quite a lot of time, but if any remains one possibility would be to start working through the list of witnesses considering what questions might be asked of them.

Next meeting

9. The next meeting is on Wednesday 15 and Thursday 16 September. You may like to ask Lord Lever and Mr Rees whether their papers will be ready for discussion then. Apart from that, the main business will presumably be to continue trying to identify the main issues and the questions to be asked of the different witnesses.

ARR

(A R Rawsthorne)
8 September 1982

FIRC 4TH MEETING AGENDA

FALKLAND ISLANDS REVIEW COMMITTEE

The next meeting of the Committee will be held at 10.30 am on Wednesday 8 and Thursday 9 September in Room 1/95 Old Admiralty Building.

AGENDA

1. Minutes of last meeting (circulated herewith)
2. Matters arising
3. Programme of oral evidence.
4. Consideration of Committee's line of questioning.

Secretary

7 September 1982