

418. Telegram From the Embassy in the United Kingdom to the Department of State and the Department of Defense¹

Washington, December 20, 1982, 1600Z

27573. Subject: Falklands White Paper: Reversing Naval Cutbacks.

1. Confidential—Entire text.

2. Summary: The release of the Falklands White Paper on 14 December was overshadowed by press treatment of EUCOM wartime headquarters relocation, the floating of the Soviet INF proposal, the emergency Commons debate on nuclear issues, and the nearness of the

¹ Source: Department of State, Central Foreign Policy File, D820659-0444. Confidential. Sent for information to NATO Collective, USNMR SHAPE, USDOCOSOUTH, USCINCEUR, CINCUSAFE, CINCUSNAVEUR, and CINCLANT.

holidays. Moreover, HMG has adopted a course—emphasizing strengthened naval forces and out of area capability—which capitalizes on the Falklands factor and coopts both Tory “Little England” back-benchers and the opposition. For the US and NATO the new policy is confirmation that HMG has moved away to a degree from the scope and timing of the Nott-proposed cutbacks of last year. End summary.

3. Nott announced a billion pound package of orders for new ships, aircraft and military hardware in his parliamentary presentation of the White Paper. The main items are:

- Six new ships costing 585 million pounds, four of them are Type 22 frigates replacing the lost destroyers and frigates;

- Cancelling of planned mothballing of four ships;

- Reaffirmation of the continuing operation of the carrier *Invincible*, the assault ships *Fearless* and *Intrepid* and the patrol vessel *Endurance*;

- Limiting cutbacks at the large Portsmouth naval base to save 1,500 jobs;

- Replacement of all aircraft lost in the campaign plus purchase of at least 12 F-4s;

- Purchasing six Tristars (L-1011S) from British Airways for use as air refueling tankers;

- Strengthening of the 5th Infantry Brigade for airborne operations;

- Purchasing an additional 5 Chinook helicopters to improve rapid movement of troops and equipment.

4. The White Paper put the Falklands in a larger perspective and emphasized that responding to the Soviet threat has first call on British resources. The announced purchases of major equipment are to avoid any major diversion of effort from NATO roles by increasing the mobility, flexibility and operational readiness of the forces. The modest out-of-area capability is being significantly enhanced. Financing of the equipment is in addition to the annual three percent real growth to which the government is committed until 1986. The report concludes that British will, resolve, and fortitude have been proved again and “we and our NATO allies can draw confidence from this. The deterrent posture of the NATO alliance as a whole has been strengthened.”

5. The general response to the report has been favorable. Even Keith Speed, who was fired in May 81 as Royal Navy Minister due to his opposition to navy cuts, proclaims himself “80 percent happy” with the report. SDP’s David Owen, from Devonport, was glad to see the readjustment. Labor’s current focus on nuclear issues, however, colored its position even on this issue. Shadow Defense Secretary Silkin’s main thrust was that the whole of the administration’s maritime policy was put at risk by HMG’s commitment to Trident. In a time of growing

unemployment, much was made of the shipbuilding employment and dockwork that would arise from continuing the active service of four ships past the 1985 mothball date announced last year.

6. Still, Labor opposition was clearly muted, in part because more ships mean more jobs, in part because other issues are diverting attention. Thus, so far, the Falklands White Paper has had a bare 24 hours of media play. Nott may have made his substantive farewell as Defense Secretary with the White Paper release and, in a week marked by leaks and surprises on other fronts, perhaps the best surprise was that there were no surprises in it.

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