

420. Information Memorandum From the Assistant Secretary of State-Designate for European Affairs (Burt) to Secretary of State Shultz¹

Washington, January 18, 1983

SUBJECT

Franks Committee Report on HMG's Falklands Policy

In response to Parliamentary demands during the Falklands war, Mrs. Thatcher agreed to establish an independent commission to study the period up to the April 2 Argentine invasion in order to determine responsibility for Britain's surprise.² The political opposition hoped that it would show that the Conservative Government was largely responsible for not foreseeing Argentine intentions and for the lack of military preparedness in the South Atlantic. They had expected the conclusions to hurt the Conservatives in the next general election. We had been concerned that the report might weaken the Foreign Office, damage the Thatcher Government, and adversely affect our attempt to improve relations with Latin America. The final report is welcome on all counts even if it is too early to gauge the political fallout in Britain or Latin America.

Following are general conclusions and implications for the US:

Source: Department of State, Executive Secretariat, S/S Special Handling Restrictions Memos 1979-1983, Lot 96D262, ES Sensitive January 16-31 1983. Secret; Sensitive. Drafted by K. Smith (EUR/NE); cleared by Haass, R. Howard (ARA/SC), and Einaudi. Smith initialed for all clearing officials. All brackets are in the original.

² The six-member Franks Commission, headed by Lord Franks, issued its report on January 18. (R.W. Apple, Jr., "British Inquiry on Falkland War Clears the Thatcher Government," *New York Times*, January 19, p. A1)

The Thatcher Government's lack of warning: The report states that the information available "demonstrates conclusively that the Government had no reason to believe before March 31 that an invasion of the Falkland Islands would take place at the beginning of April." It also states that the actual invasion (April 2) could not have been foreseen. One reason given is that the Junta did not issue an order to invade until at least 31 March.

The Foreign Office: The committee found no evidence that the FCO had pursued a Falklands policy independent of the Government in the period prior to the invasion. The report indicates that the FCO had been handicapped in trying to reach a negotiated solution by Conservative backbenchers opposed to any change in the islands' status. The report states that the FCO might have done some things differently, but there is no evidence that it could have influenced the Argentines into changing their plans. Since Mrs. Thatcher blamed the FCO for much of the UK's unpreparedness, the conclusions come as a relief to Lord Carrington, Francis Pym and the rest of the Foreign Office.

Role of the US: The report documents the major diplomatic exchanges between the USG and HMG, including the President's call to President Galtieri and the subsequent cabled report to Mrs. Thatcher.³ The exchanges reveal nothing new or damaging. An implicit criticism of the US is contained in the statement that, "It is likely that the Argentine Government came to believe that the United States Government were sympathetic to their claim to the Falklands Islands and, while not supporting forcible action in furtherance of it, would not actively oppose it." The report implies that the US was overly 'evenhanded' in talks with both sides before the invasion.

Effect on US-Latin American relations: While the report will stir up unhelpful memories in Latin America about US assistance to the UK during the war, the report itself contains little that is damaging to our interests. It documents the extensive US-UK diplomatic communication before the invasion, including our Naval Attache in Buenos Aires, but that is not likely to surprise the Latin Americans. Since the report only analyzes events prior to April 30, it says nothing of our extensive cooperation during the fighting. When discussing intelligence sources, the US is not mentioned except to state that "there was no intelligence from American sources or otherwise to show that the [Argentine] force at sea was intended other than for normal naval exercises."

Comment: It is a relief that the Committee's report does not provide fuel for the Thatcher Government's Labor Party critics. The Conservatives will have a difficult time as it is winning re-election during a

³ See Documents 41 and 42.

deep recession. The US needs its continuing help on a host of European security issues. We are pleased as well that the Foreign Office comes out as well as it did. Further weakening of the FCO is not in our interests. Fortunately, the report does not talk more about intelligence sources or exchanges with the US. We have enough problems healing the scars in Latin America without such revelations. It is possible that the lack of criticism of HMG may reflect the protection by the British establishment of its own. The FCO had refused before April 2 to believe that the Argentines would invade.