CONFIDENTIAL AND PERSONAL



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10 DOWNING STREET

From the Private Secretary

21 September 1984

FOREIGN AFFAIRS COMMITTEE INQUIRY INTO THE BELGRANO

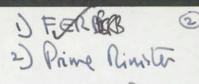
Thank you for your letter of 18 September about what the press has come to refer as the "Crown Jewels".

The Prime Minister notes that the Defence Secretary has no intention of releasing this document to the Foreign Affairs Committee and of course agrees that this is right.

I am sending copies of this letter to Len Appleyard (Foreign and Commonwealth Office) and to Richard Hatfield (Cabinet Office).

(C.D. POWELL)

Richard Mottram, Esq., Ministry of Defence. CONFIDENTIAL AND PERSONAL





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18th September 1984

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FOREIGN AFFAIRS COMMITTEE INQUIRY INTO THE BELGRANO

The Prime Minister may wish to be aware of the attached letter which the Defence Secretary has received from Sir Anthony Kershaw enclosing a letter from Mr Tam Dalyell. The document to which Mr Dalyell refers is a detailed analysis of the circumstances surrounding the sinking of the Belgrano which was prepared by Mr Ponting at the direction of the Secretary of State and submitted on 29th March 1984. It is classified TOP SECRET CODEWORD. It is not known within this Ministry as the "Crown Jewels", but appears to have been christened this by the press.

Needless to say, the Defence Secretary has no intention of releasing this document to the Foreign Affairs Committee and will rest on the final version of the Prime Minister's letter to Mr Foulkes. He will, as requested, be speaking to Sir Anthony Kershaw about this.

I am copying this letter to Len Appleyard (FCO) and to Richard Hatfield (Cabinet Office).

Yours wer.

(R C MOTTRAM)

C Powell Esq

From: SIR ANTHONY KERSHAW, M.C., M.P.



HOUSE OF COMMONS LONDON SWIA OAA

PRIVATE AND PERSONAL

14th September, 1984.

Ira hichael,

I enclose a copy of a letter which I have had from Tam Dalyell, which I found on my return from abroad.

The document must be circulated to the Committee as it is sent to me in my official capacity and no doubt questions will be asked as to what is meant by the "Crown Jewels", if they exist Do you think we could have a discussion at your convenience?

Yours even Toury.

The Rt. Hon. Michael Heseltine, M.P., Ministry of Defence, Main Building, Whitehall, LONDON, S.W. 1.

HOUSE OF COMMONS LONDON SWIA OAA

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The Chairman, Select Committee on Foreign Affairs.

Dear Tony,

It has come to my knowledge that Michael Heseltine took a decision to have a full - but secret internal investigation into what he called the "Belgrano Affair ". Had I been in the position of an incoming Defence Secretary after John Nott's departure, I would have taken heed of all the alarm signals, and done exactly the same in ordering an internal enquiry - so I do not criticise him on this account. Naturally, no senior and ambitious politician would want to get caught, and his action should be considered prudent.

This study was indeed carried out, and is known by certain persons in the Government Service as the "Crown Jewels ". There are 4, and possibly 5 actual copies. These documents are stamped with almost every classification the Ministry of Defence has. I have not myself seen a copy, but I believe the "Crown Jewels " are inches thick, and have all the secrets relating to the Sinking of the Belgrano, including, I understand, the intercepted orders from the Argentine Mainland to the Belgrano, which were decoded at GCHQ at Cheltenham.



HOUSE OF COMMONS

Whether, and at what stage, Mrs Thatcher was informed of the existence of the "Crown Jewels" documents is unclear. The "Crown Jewels", I am told, were prepared, legitimately, for the information of the Secretary of State for Defence. (You may have seen Michael Heseltine's reported comments to the effect that he wanted to be sure there was no Watergate around him.)

For reasons, elegantly deployed by my friend and colleague, R6bin Cook, in the Times of August 29th, we are not dealing with secrets which could be of use to a foreign power, so much as issues of the health of an accountable British Democracy.

Therefore I courteously suggest to you that you and your Committee ask for the "Crown Jewels", and make sure that they are made available to you, so that you can the more satisfdactorily complete the investigations on which you have embar ked. Indeed, may I gently say that it is your duty to the House of Commons as a whole to get hold of this documentation, from the Secretary of State for Defence.

Your Singray
James James