



10 DOWNING STREET

THE PRIME MINISTER

26
Monday 12 July 1982

Dear Lord Frontes,

Thank you for your letter. May I say that I personally am very pleased indeed that you have agreed to become Chairman of the Falklands Review. The moment your own name was proposed everyone agreed that it was absolutely right. What a

wonderful reputation to have
established over a lifetime of
service and how grateful we are
for it.

May I wish you a
speedy recovery from the eye
operation. It will be worth while
taking a little time to become
fit again.

Yours sincerely
Margaret Schiller



10 DOWNING STREET

THE PRIME MINISTER

12 July 1982

Dear Lord Fraser,

I am very pleased that you have been able to accept my invitation to be the Chairman of a Committee of Privy Counsellors to undertake what has come to be known as the Falkland Islands Review.

I enclose a formal minute of appointment of the Committee.

Offices have been made available for the Committee's use in the Old Admiralty Building, and I have instructed the Secretary of the Cabinet to make sure that whatever facilities the Committee needs to carry out its task are provided.

The Committee will be given access to all relevant papers and records of Government, including Cabinet and Cabinet Committee memoranda and minutes, and intelligence assessments and reports, on Privy Counsellor terms and subject to the following conventions which have been agreed with the former Prime Ministers concerned:

- (i) documents will be made available to members of the Committee by virtue of their being Privy Counsellors and solely for the purposes of this review;

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- (ii) any member of a previous administration who is invited to give evidence to the Committee will be able to exercise his normal right to see documents which he saw as a member of that administration;
- (iii) serving and former officials and members of the armed forces invited to give evidence to the Committee will be able to see documents which they saw as advisers to Ministers on matters covered by the review;
- (iv) documents of previous administrations will not be disclosed to members of the present administration or to any other persons not entitled to see them;
- (v) documents made available to the Committee, and any copies made of those documents for the use of members of the Committee, will be returned to the departments from which they came as soon as they are no longer required for the purposes of the Committee's review;
- (vi) it is understood that the Committee may need to describe in their report the gist or purport of documents made available to them, so far as that can be done consistently with the protection of national security and the international relations of the United Kingdom. But no part of Cabinet or Cabinet Committee documents or other documents which carry a security classification may be reproduced in the Committee's report or otherwise published without the agreement of the Government and in the case of a document of a previous administration that of the former Prime Minister concerned.

The Committee will be able to take evidence from any Ministers or officials whom it wishes to see. I hope that

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former Ministers and officials and others who may be invited to assist the Committee will think it right to do so.

The Committee will be concerned with reviewing the way in which the responsibilities of government were discharged. It will, I believe, find it necessary to conduct its proceedings in private. Nevertheless, it is possible that in its report the Committee may feel obliged to comment adversely on the performance or judgement of particular individuals, and it may be that some of those who are invited to give evidence may be inhibited in doing so by the fear that they make themselves vulnerable to criticism in the Committee's report which they may think unjustified and which they might not have had an opportunity of rebutting before the Committee. I suggest, therefore - though it is for the Committee to determine its own procedure - that, if the Committee does find itself obliged to criticise any individual, it should, before incorporating that criticism in its report, give him details of the criticism which it proposes to make, and an opportunity to make representations, orally or in writing. At that stage the Committee would have to decide whether to allow the individual concerned to be legally represented. The knowledge that the Committee had adopted a procedure of this kind should serve to reassure anyone giving evidence that he will not be the subject of criticism in the Committee's report without having been told in advance of the nature of the criticism and given an opportunity to answer and comment on it.

The Committee will report to me, and it will be the Government's firm intention to present the Committee's report to Parliament in full, as it is submitted. At the same time information made available to the Committee whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom will need to be protected. The Government therefore suggests to the Committee that it should seek to avoid including any such information in its main report which is to be published and that, if it

/ needs to

needs to draw conclusions or make recommendations which, if published, would entail the disclosure of such information, it should submit them to the Government in a confidential annex which will not be published.

The Government must retain the right in the last resort to delete from the Committee's report before publication any material whose disclosure would be prejudicial to national security or damaging to the international relations of the United Kingdom. I very much hope that the arrangements I have proposed in the foregoing paragraph will make it unnecessary for the Government to do that. Should it be necessary, I have assured the House of Commons that:

- (i) the government will make no deletions save strictly on the grounds of protecting national security or international relations;
- (ii) the Government will consider any proposals for deletions individually and critically, and will accept such proposals only on the grounds I have specified;
- (iii) You will be consulted if any deletions have to be proposed.

The Committee must take and will of course be given the time it needs to carry out its review thoroughly. You will, however, be aware of the views that have been expressed as to the need for the review to be completed as quickly as possible, and I hope that the Committee will be able to work with as much expedition as is consistent with thoroughness and fairness. The Government will do whatever it can to enable the Committee to do so.

In conclusion, I should like to thank you and your colleagues for your readiness to undertake this important task.

Yours sincerely
Raymond Shallice

FALKLAND ISLANDS REVIEW

The Prime Minister, with the concurrence of the Cabinet and the approval of the House of Commons, appoints a Committee, to consist of

The Rt. Hon. The Lord Franks, OM, GCMG, KCB, CBE
(Chairman)

The Rt. Hon. The Lord Barber

The Rt. Hon. The Lord Lever of Manchester

Sir Patrick Nairne, GCB, MC

The Rt. Hon. Merlyn Rees, MP

The Rt. Hon. The Lord Watkinson, CH

with 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.

The Queen has been graciously pleased to approve that Sir Patrick Nairne be sworn a member of Her Majesty's Privy Council.

The Secretary of the Committee will be Mr. A.R. Rawsthorne.

The Prime Minister instructs the Secretary of the Cabinet to ensure that all necessary arrangements are made to give effect to these decisions and to facilitate the work of the Committee in carrying out this review.

ROBERT ARMSTRONG
Secretary of the Cabinet

12 July 1982

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213/7
Dear Prime Minister,

This is a purely personal note sent in the hope that it will be useful to you in the continuing Parliamentary argument over the run-up to the Falklands conflict. You may be fully aware of its content but I send it in case you are not.

As Defence Correspondent of the Express and still with high-level MOD contacts I was involved in the 1977 episode which Jim Callaghan and David Owen have been recalling to attract credit to themselves and suggest fault on your part. As a result I am certain that the facts, which I remember well because of the pressures brought upon me at the time, are different from the story as presented by the Opposition. Their purpose seems to be to suggest that when the Argentines began one of their winding-up exercises in 1977 an all-seeing Labour Government sent out a mini-task-force which deterred them from taking any action. This would seem to be the substance of Callaghan's question as to whether you warned Galtieri that a task-force would be sent if he invaded, implying that you should have tried to deter him as Labour had done so brilliantly before.

In fact Labour's mini-task-force exerted no deterrent effect at all because its presence was kept entirely secret and the Argentinians never found out about it.

The Navy was asked to send out a nuclear submarine and a couple of frigates in case the situation worsened when, presumably, there would have been some more public show of force but the threat went away of its own accord as it had always done in the past.

The mission was held so secret that