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COPY NO. 3 of 3 COPIES

10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG

FALKLAND ISLANDS: SECURITY COUNCIL

The Prime Minister was grateful for your minute of 1 April. She has noted the conclusion, namely that we cannot produce intelligence information in time for a meeting of the UN Security Council on the Falklands issue.

I am copying this minute to Brian Fall (FCO).

A. J. COLES

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

| Date |
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| 30.3.82 |
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The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Mayland Date 22 May 2012 Signed_

PREM Records Team

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

 House of Commons Hansard, 30 March 1982, columns 1276-1281

Signed Orayland Date 22 May 2012

PREM Records Team



| PIECE/ITEM 657 (one piece/item number) | Date and sign |
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| Extract/Item details: Minute from Amushing to Gles data 1 April 1982 (Blio 18A) | |
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| RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958 | 22 May 2012 Mayland |
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10 DOWNING STREET

From the Private Secretary

1 April 1982

Falkland Islands

I enclose a copy of the reply from President Reagan to the Prime Minister's message of 31 March. This was delivered by the US Embassy at 1820 hours today.

I am copying this letter and enclosure to David Omand (Ministry of Defence) and David Wright (Cabinet Office).

Francis Richards, Esq., Foreign and Commonwealth Office

PRIME MINUSTER'S PERSONAL MESSAGE ZCZCWAG022 +3 comes to p.a.
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Frank Citie, Weether 7. 00 WTE24 DE WTE £1641 0920232 0 020245Z APR 82 FM THE WHITE HOUSE TO CABINET OFFICE. LONDON ZEM S E C R E T VIA CABINET OFFICE CHANNELS WHO1641 APRIL 1, 1982 DEAR MARGARET. I HAVE JUST TALKED AT LENGTH WITH GENERAL GALTIERI ABOUT THE SITUATION IN THE FALKLANDS. I CONVEYED TO HIM MY PERSONAL CONCERN ABOUT THE POSSIBILITY OF AN ARGENTINE INVASION. I TOLD HIM THAT INITIATING MILITARY OPERATIONS AGAINST THE FALKLAND ISLANDS WOULD SERIOUSLY COMPROMISE RELATIONS BETWEEN THE UNITED STATES AND ARGENTINA AND I URGED HIM TO REFRAIN FROM OFFENSIVE ACTION. I OFFERED OUR GOOD OFFICES AND MY READINESS TO SEND A PERSONAL REPRESENTATIVE TO ASSIST IN RESOLVING THE ISSUES BETWEEN ARGENTINA AND THE UNITED KINGDOM. THE GENERAL HEARD MY MESSAGE, BUT GAVE ME NO COMMITMENT THAT HE WOULD COMPLY WITH IT. INDEED, HE SPOKE IN TERMS OF ULTIMATUMS AND LEFT ME WITH THE CLEAR IMPRESSION THAT HE HAS EMBARKED ON A COURSE OF ARMED CONFLICT. WE WILL CONTINUE TO COOPERATE WITH YOUR GOVERNMENT IN THE EFFORT TO RESOLVE THIS DISPUTE, BOTH IN ATTEMPTING TO AVERT HOSTILITIES AND TO STOP THEM IF THEY SHOULD BREAK OUT. WHILE WE HAVE A POLICY OF NEUTRALITY ON THE SOVEREIGNTY ISSUE, WE WILL NOT BE NEUTRAL ON THE ISSUE OF ARGENTINE USE OF MILITARY FORCE. WARMEST WISHES. RON 0246 £1641 NNNN

Dear Prime Minister: I have been asked to deliver the attached

message to you from President Reagan, which was

received at the Embassy this afternoon.

Sincerely,

Edward J. Streator Charge d'Affaires ad interim

Enclosure:

SECRET

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London, SW1

SSA 182 17 SECRET Dear Margaret: I have your urgent message of March 31 over Argentina's apparent moves against the Falkland Islands. We share your concern over the disturbing military steps which the Argentines are taking and regret that negotiations have not succeeded in defusing the problem. Accordingly, we are contacting the Argentine Government at the highest levels to urge them not to take military measures which would make a just solution more difficult to achieve. As you requested, we are also asking for assurances from them that they will show restraint and not initiate hostilities. I want you to know how we have valued your cooperation on the challenges we both face in many different parts of the world. We will do what we can to assist you here. Sincerely, Ron

SECRET



Sir Robert Armstrong

Falkland Islands

The Prime Minister has noted your minute of 31 March, and the attached JIC assessment of 31 March.

M. IL COCES

1 April, 1982. CONFIDENTIAL

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| PIECE/ITEM 657 (one piece/item number) | Date and sign |
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| Extract/Item details: Minute from Armsmong to Prime Minister dated 31 Mara 1982 | |
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PRIME MINISTER

Falkland Islands
(OD(82) 17)

BACKGROUND

Since OD first discussed this issue in 1980, it has been on the basis that the effective defence and provisioning of the Falkland Islands in the face of a hostile Argentine Government would pose military, logistic and financial problems which are close to insuperable. The wishes of the Falkland Islanders in relation to any change in British sovereignty over the territory remain paramount. British policy has nevertheless been directed towards finding a suitable accommodation with the Argentine Government. Fundamental realities have not changed, as the recent discussion in Cabinet on 25 March and the correspondence prior to this meeting make clear.

2. The meeting will also have before it a joint FCO/MOD report on the latest position. OD's task is therefore to deal with the operational decisions which now need to be taken, and to determine who should carry them out and on what financial basis. It should also turn its mind to the situation which could arise if the Argentine Government seek to escalate the conflict faster than at present seems likely.

MAIN ISSUES

3. First, the civil contingency issues, above all if the Argentines withdraw the services they currently provide (Annex B to the Foreign and Commonwealth Secretary's minute of 24 March). The most urgent need here would be an alternative means of communication between the Islands and the outside world. An air link would be expensive and operationally difficult. The most sensible and cost effective solution appears to be a sea service which would probably need to operate to the United Kingdom. Officials will need to be authorised to make urgent contingency plans (involving approaches to commercial companies which might leak) with a view to early recommendations.

- 4. Second, the <u>role of HMS Endurance</u>. Since detailed arrangements to replace Argentine services will take time, the Foreign and Commonwealth Secretary argues strongly that HMS Endurance should not be withdrawn, as planned, at the end of March but remain on station. This would involve operational problems of one kind or another but seems the minimum necessary to demonstrate our commitment to the Islanders and determination not to abandon them. The longer-term future of HMS Endurance is a separate and less urgent issue which need not be decided now.
- 5. Third, the <u>financial implications</u>. The FCO and MOD are seeking authority to find the extra costs from the Contingency Reserve and the Chief Secretary, Treasury, in his minute of 29 March, is resisting.
- 6. In the absence of the Foreign and Commonwealth Secretary in Israel, the Lord Privy Seal and the Minister of State for Foreign and Commonwealth Affairs, Mr Luce, will represent the FCO.

HANDLING

- 7. Foreign and Commonwealth Office Ministers should report on the civil contingency planning currently in hand and explain why HMS Endurance should remain on station in the Falklands area beyond the planned departure date. The Secretary of State for Defence should be invited to comment, and also explain what military contingency planning is in hand in response to reports of Argentinian naval deployments.
 - 8. The main questions which need to be addressed are:
 - Is it agreed, in the light of the Islanders' reaction and the response of the public and Parliament to the statements made on 30 March, that a firm stand must be taken with the Argentines, notwithstanding the risks involved?
 - If the Argentines terminate the weekly air service, should a regular sea service to the United Kingdom be organised? (You might ask the Foreign and Commonwealth Office to enlarge upon the possibility of combining a service to the Falklands with the service already provided to St Helena.)

Should HMS Endurance remain on station meanwhile?

Continue (a)

CONFIDENTIAL

- Having determined policy, you should then turn to the financial implications and invite the Chief Secretary, Treasury to comment. There are two issues:
 - Who should bear the cost of a sea link with the United Kingdom, if this (d) becomes necessary? If there is no agreement, officials should study the matter urgently.
 - (e) Should the Ministry of Defence bear the extra cost of keeping HMS Endurance on station for two months? This is the obvious solution. If the Ministry of Defence seeks to link this decision with the broader question of the ship's future, you could point out that the longer-term decision is a separate matter.
- You may also wish to invite the Committee to consider what further con-10. tingency planning the Foreign and Commonwealth Office and Ministry of Defence should set in hand if the situation deteriorates sharply. Should HM ships be diverted to the area? If so, what type(s) of ships? What further scope is there for diplomatic action, in particular with the United States Government? Is it premature to give preliminary contingency consideration within Government to the possibility that we might have to offer to evacuate those Islanders who want to leave and reinstate them in the United Kingdom or elsewhere?

CONCLUSION

11. The Committee will need to give clear guidance to the Foreign and Commonwealth Office, Ministry of Defence and Treasury on contingency planning, in the light of the discussion.

ROBERT ARMSTRONG

SWAUX

31 March 1982

(approved by Si R Amstrong and signed on his Scha (1)

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| PIECE/ITEM 657 (one piece/item number) | Date and sign |
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| Extract/Item details: Letter from Richards to Coles dated 31 Maran 1982, with enclosure | |
| CLOSED FOR 40 YEARS UNDER FOI EXEMPTION | 22 May 2012 Mayland |
| RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958 | + |
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| CLOSED FORYEARS UNDER FOI EXEMPTION | |
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PRIME MINISTER'S/3 PERSONAL MESSAGE SERIAL No. ___ 55\82 DE CABINET OFFICE LONDON HEREWITH FLASH OK TO SEND KK La. + comes tos AR + Duplicated Franks entre RGRGRGRGRG MATE AND ZAGKKKK CAB OFFICE/WHITE HOUSE ØØ1/31 Z 312Ø25Z MAR 82 FM CABINET OFFICE LONDON TO WHITE HOUSE BT TOPSECRET PERSONAL FROM PRIME MINISTER THATCHER

FOR PRESIDENT REAGAN DEAR RON.

YOU WILL KNOW ABOUT THE DISTURBING INTELLIGENCE REPORTS BOTH FROM YOUR SOURCES AND FROM OURS THAT THE ARGENTINE NAVY COULD BE PREPARING TO INVADE THE FALKLAND ISLANDS WITHIN THE NEXT 48 HOURS. THERE ARE LESS THAN 2,000 INHABITANTS THERE. WE MAINTAIN ONLY A SMALL GARRISON OF ABOUT 75 MARINES AT PORT STANLEY - THE CAPITAL OF THE FALKLANDS - AND THE ONLY ROYAL NAVY VESSEL WHICH WE HAVE IN THE AREA AT THE MOMENT IS AN ICE PATROL SHIP. AN ARGENTINE ASSAULT WOULD UNDOUBTEDLY RESULT IN LOSS OF LIFE. WE COULD NOT ACQUIESCE IN ANY ARGENTINE OCCUPATION: THE FALKLAND ISLANDERS HAVE ALWAYS MADE IT CLEAR THEY WISH AND INTEND TO REMAIN BRITISH.

WILL YOU TALK URGENTLY WITH THE ARGENTINE PRESIDENT AND ASK HIM TO GIVE YOU AN IMMEDIATE ASSURANCE THAT HE WILL NOT AUTHORISE ANY LANDING, LET ALONE ANY HOSTILITIES. YOU CAN TELL HIM THAT WE WILL NOT ESCALATE THE DISPUTE OR START FIGHTING. MEANWHILE, WE ARE PURSUING URGENT DIPLOMATIC INITIATIVES WITH THE ARGENTINE TO REACH A SETTLEMENT AND I WOULD ASK FOR YOUR SUPPORT IN THIS EFFORT TOO.

WARM PERSONAL REGARDS. MARGARET.

BT

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to the Falklands. We must assume that these speculative reports Passage deletel and retained under Section 3(4).

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will give an impression Odwayland, 22/5/2012

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Classification and Caveats

Page

SECRET

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10 my telno 116.

2 in Buenos Aires that we are seeking a naval rather than a 3 diplomatic way of our difficulties. This could be a very 4 dangerous impression to leave - even for a few days.

5 3. We therefore think it important that we launch our diplomatic 6 initiative without further delay, even if the Argentine response 7 to this and the despatch of our *Emissary* is likely to be less 8 speedy (indeed there would be some advantage in not hastening 9 unduly). We therefore wish you to deliver the message in

11 4. However we are very conscious of the skill and firmness with 12 which you have been handling these exchanges so far and we have 13 of course no wish to risk undermining your position as an 14 interlocutor. If you feel it would be helpful you may therefore 15 insert into the message a sentence to the effect that 'The 16 Emissary would be coming to support our Ambassador'. We would 17 rather not drop the references to 'constructive proposals' 18 because we think it important that the Argentines should not 19 think we have run out of any ideas except military ones.

20 5. As regards your further suggestion (your telno 128) that the 21 Emissary should be someone like Lord Carver or Lord Hill-Norton, 22 we think that negotiations would more effectively be carried out 23 at working level and that in any case some of the presentational 24 objections which would apply to sending a Minister to BA would 25 also apply to sending a prominent public figure.

26 6. I have been consulted in Jerusalem and agrees.

27

28 CARRINGTON

29 NNNN

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NNNN ends teleletter

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Catchword





Foreign and Commonwealth Office London SW1A 2AH

30 March 1982

Min Minida

Dear John,

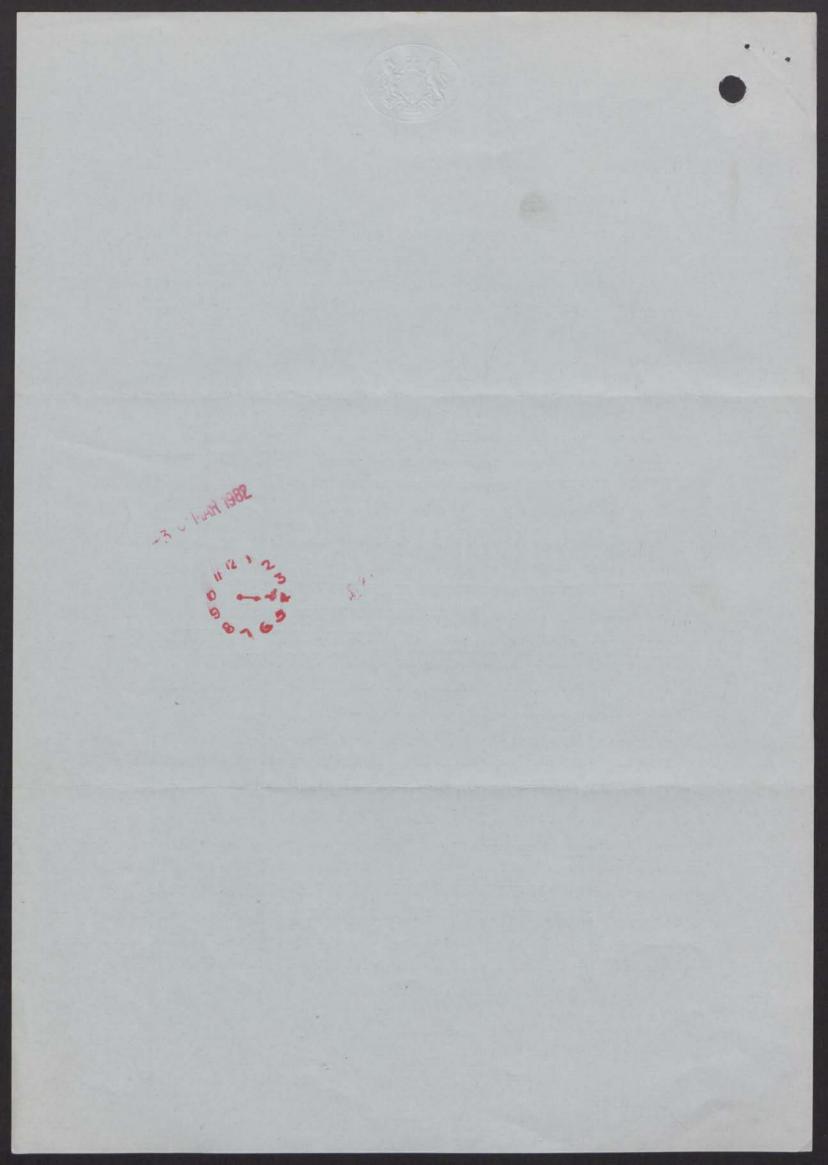
South Georgia

I enclosed with my letter of 25 March a note on Mr Davidoff's contract with Christian Salvesen Ltd. I understand that the Prime Minister has asked for further information, in particular on the extent to which HMG had a role to play at the time of the contract's signature. I enclose a further note, which complements the earlier

Your ever

(J E Holmes) Private Secretary

A J Coles Esq 10 Downing Street



GRS 287

CONFIDENTIAL

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TO IMMEDIATE BUENOS AIRES

TELEGRAM NUMBER 77 OF 30 MARCH

INFO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR), WASHINGTON.

BUENOS AIRES TELNO 116: SOUTH GEORGIA

1. PLEASE NOW PASS THE FOLLOWING MESSAGE TO THE ARGENTINE FOREIGN MINISTER.

BEGINS

OUR AMBASSADOR HAS PASSED TO ME YOUR MESSAGE OF 28 MARCH ON THE SITUATION IN SOUTH GEORGIA. THE POTENTIALLY DANGEROUS POSITION WHICH HAS NOW DEVELOPED HAS IN NO WAY BEEN OF OUR SEEKING. AS OUR AMBASSADOR HAS EMPHASISED TO YOU, OUR OBJECTIVE THROUGHOUT HAS BEEN TO SEEK A SOLUTION WHICH BOTH OUR GOVERNMENTS CAN ACCEPT. A CONFRONTATION, WHICH COULD HAVE FAR-REACHING CONSEQUENCES AND WHICH WOULD SERIOUSLY PREJUDICE OUR ATTEMPTS TO RESOLVE THE WHOLE FALKLANDS ISSUE THROUGH PEACEFUL NEGOTIATION, IS IN NEITHER OF OUR INTERESTS. I HAD HOPED THAT WE MIGHT BE ABLE TO SOLVE THIS PROBLEM ALONG THE LINES WHICH YOU HAD YOURSELF EARLIER DISCUSSED WITH OUR AMBASSADOR. BUT CLEARLY IT WILL BE NECESSARY TO EXPLORE THIS AND OTHER IDEAS FURTHER. TO THIS END I WOULD PROPOSE SENDING A SENIOR OFFICIAL AS MY PERSONAL EMISSARY TO BUENOS AIRES TO WORK OUT WITH YOU AND YOUR COLLEAGUES A FORMULATION WHICH WOULD ALLOW THE COMMERCIAL SALVAGE CONTRACT ON SOUTH GEORGIA TO BE CARRIED OUT IN A WAY WHICH DOES NOT INFRINGE OUR OWN POSITION. MY REPRESENTATIVE (JOHN URE - THE SENIOR OFFICIAL WITH RESPONSIBILITIES FOR THE AMERICAS IN THE FOREIGN AND COMMONWEALTH OFFICE) WOULD COME WITH CONSTRUCTIVE PROPOSALS. I WOULD VIEW THE DEFUSING OF THIS INCIDENT AS PREPARING THE WAY

CONFIDENTIAL

/FOR

CONFIDENTIAL

30524 - 2

FOR A RESUMPTION OF THE DIALOGUE ON BROADER ISSUES ON WHICH RICHARD LUCE WAS ENGAGED WITH AMBASSADOR ROS IN NEW YORK LAST MONTH.

ENDS

CARRINGTON

STANDARD

S AM D SED UND ES & SD CABINET OFFICE ADDITIONAL DISTRIBUTION FAIKLAND ISLANDS

2

CONFIDENTIAL

PRIME MINISTER



Willie Rickett has given you a brief run-down of today's two statements.

You saw the text of Mr. Luce's statement in Brussels, but you may like to know a little more about the exchanges in the House on that one.

Denis Healey endorsed the Daily Telegraph's "foolish and spineless" comment. He suggested that we were in for problems over the future of the Atlantic Treaty. Diplomacy was unlikely to succeed in situations where there were no disincentives to unilateral action. He suggested that Mr. Luce may have preferred to say nothing about other measures because he had nothing to say. Whilst the Government was busy arguing in other fields that we should negotiate from a position of strength, in the Falklands we started from a position of weakness.

Mr. Luce got a little help from Sir Anthony Kershaw, John Biggs-Davison and, as you have heard, Jim Callaghan. But hardly anybody else seemed to be trying to be helpful. Enoch Powell asked whether the Government took the view that public opinion would support the use of force to maintain British sovereignty over the Falkland Islands and their dependants. Bernard Braine saw it as a comic opera. We asserted our sovereignty whilst forcing the islanders into growing dependence on Argentina. Nigel Fisher challenged references to defending the Islands "to the best of our ability" since we had no ability. Freddie Burden, Pat Duffy, and Keith Speed amongst others, argued the value of a greater surface Navy, while Richard Alexander simply asked that the marines should round up and remove the twelve interlopers.

Concluding, Denis Healey said that the Government clearly took the Argentinian moves as deliberate provocation. Taking a cue from Mr. Callaghan, he argued that the Government, unlike its predecessor, had failed to assemble a suitable naval force to assist in sorting matters out. It was simply one more in a terrible series of errors on defence policy.

MAD

SECRET



MINISTER OF STATE FOR THE ARMED FORCES

D/MIN(AF)/PB/5/1/5

Prime Minister

Prime Riville

A. + C. 30

An A

SOUTH GEORGIA

- 1. In addition to our Statement in Parliament today and the next diplomatic moves we have been considering what precautionary steps to take in order to reinforce the British naval presence in the Falklands area, given recent increases in the scale of Argentine naval deployments in the area and the possibility of a further deterioration in the situation.
- 2. As you know, we have so far taken the following steps:
 - a. the strength of the Royal Marines garrison in Port Stanley has been doubled by holding back the outgoing detachment;
 - b. a support ship will arrive off South Georgia in two weeks' time with provisions for HMS ENDURANCE sufficient for another two months' stay;
 - c. the SSN HMS SPARTAN was yesterday instructed to sail to the South Atlantic as soon as possible after embarking the necessary weapons and provisions. She is due to arrive in the Falklands area by 13th April;
 - d. The Defence Secretary last night authorised the preparation of a second SSN, and we decided at our meeting this morning to confirm the orders for her sailing.

 HMS SPLENDID has been designated and should sail on 2nd April, arriving around 18th April.

SECRET We are now considering what further steps might be taken. At our meeting this morning we looked at the possibility of sending a third SSN (which the Foreign and Commonwealth Secretary favours). A submarine has been identified but has not yet been given orders to sail. There would be significant operational penalties which would, among other things, adversely affect joint operations with the Americans. The great advantage of using these SSNs is that their passage can remain covert until we wish to reveal it. Even if media speculation focusses on SSNs the Argentines themselves will be left guessing. It will, of course, be necessary to draw up precise rules of engagement for the submarine Commanding Officers. While on patrol they would carry out covert surveillance and would be available to afford protection to HMS ENDURANCE. If need be. their presence could be declared in order to deter the Argentines from any precipitate military action. In the worst case they could carry out formidable retaliation against the Argentine Navy. We can meanwhile face Parliament confidently if pressed about naval contingency measures without, of course, revealing details. We retain political and operational flexibility. We have also looked at the possibility of deploying surface ships. It would be possible to detach a force of 7 RN destroyers and frigates (with supply ships) from current exercises in the Atlantic off Gibraltar. It would take some 16 days for them to reach the Falklands area. But our intentions would become known very quickly, which would be likely to complicate our diplomatic exchanges with the Argentines. In any case, the Ministry of Defence have reservations on military grounds about using a detachment of surface ships of this size as a show of force against the Argentines, who could easily field a larger force, which could include their aircraft carrier. A more credible force in military terms would be a task group comprising a carrier, at least 4 or 5 surface escorts, possibly a commando group of 800 Royal Marines and perhaps a submarine as well as support ships. Quite apart from the fact that this would take SECRET -2-1

SECRET about 24 days to muster and arrive in the area, it would be very difficult and expensive to sustain. The preparations could not be concealed and it would prove highly provocative and hence escalatory, unless the Argentines were preparing to invade the Falklands. There is at present no sign of this. This option is being examined internally within the Ministry of Defence in view of the significant military implications. The Chiefs of Staff will wish to consider this and other possible options very carefully and their advice will be available when we discuss the matter at OD. The MOD have separately reconsidered the possibility of reinforcing the Falklands by air and have confirmed that this is impracticable unless diplomatic clearance could be acquired to stage through either Uruguay or Chile. We suggest that the way ahead might best be discussed at OD on Thursday. Minister of State gn and Commonwealth Secretary (Armed Forces) -3-SECRET

SECRET De will discuss on Treasury Chambers, Parliament Street, SWIP 536. Rt Hon Lord Carrington PC KCMG MC Secretary of State Foreign & Commonwealth Office Downing Street 29 March 1982 London SWIA 2AL FALKLAND ISLANDS I have seen your undated minute (ref.PM/82/23) to the Prime Minister drawing attention to the possibility that the Argentines may cut off some or all of the essential services which they now provide for the Islands. I have no objection to contingency planning for a sea service being carried forward on an urgent basis. However, I cannot agree that, in the event of the plans having to be implemented,

I have no objection to contingency planning for a sea service being carried forward on an urgent basis. However, I cannot agree that, in the event of the plans having to be implemented, such financial provision as may prove necessary should be found from the Contingency Reserve. I am conscious that the programmes for which you are responsible will total some £1.6 billion in the new financial year, and I find it hard to accept that the cost of a sea service for the Falklands (even if it were to exceed the £1.5 million annual cost of the service to St Helena as your officials expect) could not be accommodated within these programmes. Before 1982-83 has even begun, I should have thought there must be sufficient flegibility in your programmes to absorb relatively small claims of this kind.

If extra costs were incurred in order to keep Endurance in the Falklands (as proposed in your letter of 24 March to John Nott) these costs should be met without recourse to the Contingency Reserve.

I am copying this letter to the Prime Minister and other members of OD, to the Secretary of State for Energy, the Attorney-General and Sir Robert Armstrong.

LEON BRITTAN

2 9 MAR 1982





TO PRIME MINISTER FROM S/S DEFENCE

I heard this morning that you had discussed the Falklands Islands situation with the Foreign Secretary on your journey to Brussels. You asked for an urgent assessment of possible options for deployment of naval vessels to the Islands. I had already set contingency planning in hand over the weekend and a number of steps have been taken.

First is Endurance may be required to remain at South Georgia for the foreseeable future and will begin to run short of food and other supplies in three weeks. The RFA Fort Austin has sailed from Gibraltar to replenish Endurance. She will also be capable of providing support to other ships should they have to be sent to the area.

Secondly, I have today instructed that the nuclear submarine (SSN) HMS Spartan should be sailed covertly to the South Atlantic. She has been taken off exercises in the vicinity of Gibraltar and will proceed there to stock up with suitable weapons and provisions. She will sail from Gibraltar early on 31 March and should be in vicinity of the Falklands by 13 April. This is the quickest available means of deploying an SSN suitably equipped to the area. We are planning on the basis that a second SSN will be earmarked.

A further possibility will be to divert to the South Atlantic 7 destroyers/frigates currently participating in exercises off Gibraltar. They are due to leave for the UK on 1 April and their diversion would not become apparent before 5 April. There is time to take a decision on this later in the week. The ships could reach the Falklands in 2 - 3 weeks and could, if necessary, take on a Royal Marines Company Group (150 strong) who would be flown out to Ascension Island en route.

/This group

This group would not in itself constitute a viable full/task group. For this we would need at least a CVS, several escort vessels and a Royal Marines commando group (800 strong). Such a force could be assembled in about a week and would take a further three to reach the Falklands. It would, of course, become immediately apparent that we were putting together such a group.

29. 14 82.

Fee ? 10 DOWNING STREET From the Private Secretary 28 March 1982 3 3 4 4 4 , FALKLAND ISLANDS: HMS ENDURANCE The Prime Minister has seen Lord Carrington's minute of 24 March and Mr. Wiggin's minute of 26 March on the above subject. She would like the matter to be discussed at a very early meeting of OD. I am sending copies of this letter to David Omand (MOD), John Kerr (HM Treasury) and David Wright (Cabinet Office). John Holmes, Esq., Foreign and Commonwealth Office. SECRET



| PIECE/ITEM 657 (one piece/item number) | Date and sign |
|---|------------------------|
| Transcript of telephone conversation between Prime Minister and Freignand Commonwealth Secretary, 28 March 1982 | |
| CLOSED FOR 40YEARS UNDER FOI EXEMPTION | 22 May 2012 Mayland |
| RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958 | |
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MY TELNO 115: SOUTH GEORGIA

1. FROM THIS I FEAR WE MUST CONCLUDE THAT THE ARGENTINES INTEND
NO MOVE TO RESOLVE THE DISPUTE BUT RATHER TO LET MATTERS RIDE
WHILE THEY BUILD UP THEIR NAVAL STRENGTH IN THE AREA AND WE REMAIN
IN THE DILEMMA OF EITHER TAKING OR NOT TAKING ACTION OURSELVES.
YOU WILL DOUBTLESS BE CONSIDERING WHETHER OR NOT THE RISKS CLEARLY
INVOLVED IN TAKING MEASURES AGAINST THE ARCENTINE WORKMEN ARE
ACCEPTABLE AS ALSO WHETHER. AT THIS LATE STAGE, IT IS POSSIBLE
TO FIND SOME OTHER GOLDEN BRIDGE — EG BY AGREEING THAT THE
WORKMEN'S WHITE CARDS ARE APPROPRIATE DOCUMENTATION AND THAT IT
WILL BE SUFFICIENT IF THEY ARE PRODUCED ON DEMAND (AS THEIR TEXT
STATES) TO A BAS OFFICIAL VISITING THEIR SITE AT LEITH. IF YOU
FEEL THAT BUYING MORE TIME WOULD BE TO OUR ADVANTAGE, WE MIGHT
PURSUE YOUR TENTATIVE PROPOSAL OF SENDING A SPECIAL ENVOY TO
DISCUSS THE MATTER IN BUENOS AIRES. IT WOULD, HOWEVER, BE
NECESSARY TO DECIDE WHAT OFFER OR PROPOSAL HE WOULD BRING.

WILLIAMS

[COPIES SENT TO NO 10 DOWNING ST]

STANDARD

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CABINET OFFICE

ADDITIONAL DISTN. FALKLAND ISLANDS

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DESKBY 28/1730Z

FM BUENOS AIRES 28/1500Z MAR 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 116 OF 28 MARCH 1982

INFO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR), MODUK NAVY AND CINCFLEET

MIPT : SOUTH GEORGIA: FOLLOWING IS TEXT OF MESSAGE!

QUOTE

EXCELLENCY :

THE EVENTS WHICH HAVE TAKEN PLACE ON ST PETER'S ISLAND IN THE SOUTH GEORGIAS ARE BEING FOLLOWED BY MY GOVERNMENT WITH CLOSE ATTENTION. I AM CONVINCED THAT BOTH THE BRITISH GOVERNMENT AND YOUR EXCELLENCY SHARE OUR CONCERN AND THIS IS WHY I AM SENDING THIS MESSAGE WITH THE OBJECT OF DESPELLING ANY MISUNDERSTANDING ABOUT MY GOVERNMENT'S MOTIVES.

THE ACTIVITIES OF THE GROUP OF WORKERS DISEMBARKED AT LEITH ARE
OF A PRIVATE AND PEACEFUL CHARACTER BASED ON THE UNDISPUTED FACT
THAT THEY WERE KNOWN IN ADVANCE BY HER BRITANNIC MAJESTY'S GOVERNMENT
AND IN ANY CASE ON THE FACT THAT THEY ARE BEING CARRIED OUT ON
TERRITORY SUBJECT TO THE SPECIAL REGIME AGREED IN 1971 BETWEEN
THE ARGENTINE AND GREAT BRITAIN. IT IS MOREOVER WITHIN YOUR
EXCELLENCY'S KNOWLEDGE THAT THESE TERRITORIES ARE CONSIDERED BY
THE ARGENTINE REPUBLIC AS HER OWN AND THAT THE SOVEREIGNTY DISPUTE
ABOUT THEM HAS BEEN RECOGNISED BY THE UNITED NATIONS IN ITS
RELEVANT RESOLUTIONS. YOUR EXCELLENCY'S GOVERNMENT HAS
ACCEPTED THE EXISTENCE OF THE SOVEREIGNTY DISPUTE.

HOWEVER THE BRITISH GOVERNMENT HAS REACTED IN TERMS WHICH
CONSTITUTE A VIRTUAL ULTIMATUM BACKED BY THE THREAT OF MILITARY
ACTION IN THE FORM OF THE DESPATCH OF THE NAVAL WARSHIP ENDURANCE
AND A REQUIRMENT FOR THE PEREMPTORILY IMMEDIATE EVACUATION OF THE
ARGENTINE WORKERS FROM THE ISLAND. THESE ACTIONS HAVE BEEN TAKEN
WITHOUT A REAGARD TO THE SPECIAL CHARACTERISTICS MENTIONED ABOVE.
THE REACTON TO WHICH I REFER THUS CONSTITUTES A DISPROPORTIONATE
AND PROVOCATIVE RESPONSE AGGRAVATED FOR HAVING RECEIVED WIDE
DIFFUSION IN THE PRESS WHICH HAS HAD A NEGATIVE EFFECT ON DEVELOPMENTS AND WHICH IS NOT THE RESPONSIBILITY OF THE ARGENTINE GOVERNMENT
IN THIS CONNECTION I CANNOT BUT REFER TO THE COMMENTS PUBLISHED IN
THE BRITISH PRESS MANY OF WHICH HAVE HAD AN AGGRAVATING EFFECT
AND IN ANY CASE DO NOT CONTRIBUTE TO THE MAINTENANCE OF THE
DESIRABLE CLIMATE FOR THE CONDUCT OF NEGOTIATIONS.

CONFIDENTIAL

/ IN THE

CONFIDENTIAL IN THE LIGHT OF THIS ATTITUDE MY GOVERNMENT CAN ONLY ADOPT THOSE MEASURES WHICH PRUDENCE AND ITS RIGHTS DEMAND. IN THIS CONTEXT THE ARGENTINE WORKERS IN SOUTH GEORGIA MUST REMAIN THERE SINCE THEY HAVE BEEN GIVEN THE NECESSARY DOCUMENTATION TO DO SO. I FEEL I MUST POINT OUT TO YOUR EXCELLENCY THAT THE PRESENT SITUATION IS THE DIRECT RESULT OF THE PERSISTENT LACK OF RECOGNITION BY THE UNITED KINGDOM OF THE TITLES TO SOVEREIGNTY WHICH MY COUNTRY HAS OVER THE MALVINAS, SOUTH GEORGIA AND SOUTH SANDWICH ISLANDS. THIS IS CONFIRMED BY THE NEGATIVE ATTITUDE OF YOUR EXCELL-ENCY'S GOVERNMENT THROUGHOUT MANY YEARS OF NEGOTIATIONS IN WHICH ARGENTINA HAS GIVEN ADEQUATE EVIDENCE OF ITS WISH TO RESOLVE THE DISPUTE BY PEACEFUL MEANS WITH IMAGINATION AND PATIENCE WHICH TODAY HAVE LASTED FOR OVER FIFTEEN YEARS. TO RESOLVE THE PRESENT SITUATION I CONSIDER IT NECESSARY THAT YOUR EXCELLENCY'S GOVERNMENT SHOULD DISPLAY, AS DOES THE ARGENTIME GOVERNMENT, THE POLITICAL WILL TO NEGOTIATE NOT ONLY THE CURRENT PROBLEM WHICH CONCERN US BUT ALSO THE SOVEREIGNTY DISPUTE BEARING IN MIND THAT SO LONG AS THIS CONTINUES OUR RELATIONS WILL BE OPEN TO SIMILAR DISTURBANCES AND CRISES. YOUR EXCELLENCY CAN BE SURE OF COUNTING UPON VTHE COOPERATION AND GOODWILL OF MY GOVERNMENT TO ACHIEVE A SATISFACTORY SOLUTION . COURTESY ENDING. UNQUOTE. WILLIAMS ADDITIONAL DISTN. STANDARD FALKLAND ISLANDS S AM D CABINET OFFICE [COPIES SENT TO NO 10 DOWNING ST] CONFIDENTIAL

GRS 350 CONFIDENTIAL CONFIDENTIAL FM BUENOS AIRES 28/1406Z MAR 82 TO FLASH FCO TELEGRAM NUMBER 115 OF 28 MARCH 1982 INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR), MODUK NAVY AND CINCFLEET MY TELNO 113 : SOUTH GEORGIA COSTA MENDEZ TELEPHONED ME YESTERDAY EVENING TO SAY THAT HIS MESSAGE TO YOU WOULD BE READY AT \$93\$ (123\$Z) TODAY AND I HAVE JUST COLLECTED IT. OUR TRANSLATION OF FULL TEXT IS IN MY IFT. IN ESSENCE IT SAYS THAT WE ARE MAKING TOO MUCH FUSS OVER A MATTER IN ADMITTEDLY DISPUTED TERRITORY SEMI COLON THAT THE ARGENTINE GOVERNMENT CANNOT BUT TAKE THE PRECAUTIONS REQUIRED BY PRUDENCE AND ITS RIGHTS AND THAT THE WORKMEN SHOULD CONTINUE ON SOUTH GEORGIA SINCE THEY HAVE THE NECESSARY DOCUMENTATION. IN CONVERSATION COSTA MENDEZ AND ROS EXPLAINED THAT THE LAST PHRASE MEANT THAT, IN THEIR VIEW (AND ROS WAS ONE OF THE NEGOTIA-TORS) SOUTH GEORGIA IS (REPEAT IS) INCLUDED IN THE WHITE CARD REGIME BY THE 1971 AGREEMENT. IN THE SAME CONVERSATION COSTA MENDEZ TRIED RATHER LAMELY TO RECONCILE HIS CONFLICTING STATEMENTS ABOUT THE BAHIA PARAISO BUT STILL PROFESSED IGNORANCE ABOUT THE PRESENCE ON BOARD OF ARGENTINE MARINES AND CAPITAN TROMBETTA. SINCE TODAY'S PRESS IS FULL OF STATEMENTS THAT A BRITISH WARSHIP, JOHN BISCOE, IS ON ITS WAY TO THE AREA I TOLD COSTA MENDEZ IN CONFIDENCE WHAT BISCOE IS AND THAT THE MARINES ON BOARD HER ARE NOT REINFORCEMENTS BY ROULEMENT IN CIVVIES AND UNARMED. I JUDGED THIS BETTER THAN ALLOWING HIM TO GET A GARBLED ACCOUNT ELSE-WHERE. 3. I TOLD COSTA MENDEZ THAT I WOULD, OF COURSE, TRANSMIT HIS MESSAGE AND WOULD NOT ANTICIPATE YOUR REACTION. I COULD NOT, HOWEVER, FAIL TO NOTE THAT IT DID NOT SUGGEST ANY CONSTRUCTIVE WAY OF PROCEEDING AND, IF FACT, WITHDREW THE PROPOSAL HE HAD PUT TO ME ON WEDNESDAY. HE INTERJECTED THAT IT HAD NOT BEEN A PROPOSAL BUT ONE OF SEVERAL IDEAS. I RECALLED THAT YOUR RESPONSE TO IT, PROPOSAL OR IDEA, HAD BEEN TO OFFER CONSIDERABLE CONCESSION TO BUILD A GOLDEN BRIDGE. HE SEEMED NOW TO HAVE KNOCKED AWAY HIS END OF THIS AND I URGED HIM TO LOSE NO TIME IN DEVISING ANOTHER. IT WAS, I SAID, NOW AGAIN HIS TURN. 4. I HAVE MADE NO STATEMENT TO THE PRESS BEYOND ADVISING THEM TO CHECK PUBLISHED DATA ON THE NATURE OF THE BISCOE. [COPIES SENT TO NO 10 DOWNING ST.] WILLIAMS STANDARD ADDITIONAL DISTRIBUTION S AM D FALKLAND ISLANDS CABINET OFFICE CONFIDENTIAL

CONFIDENTIAL GRS 18Ø CONFIDENTIAL FROM PORT STANLEY 281855Z MARCH 82 TO FLASH FCO TELEGRAM NUMBER 58 OF 28 MARCH INFO IMMEDIATE BUENOS AIRES, MODUK NAVY, CINCFLEET BUENOS AIRES TELNO 116 TO YOU: SOUTH GEORGIA 1. I AM SURE THAT YOU ARE AWARE OF THE BASIC INACCURACIES IN COSTA MENDEZ'S MESSAGE: (A) THE 1971 COMMUNICATIONS AGREEMENT DOES NOT APPLY TO THE DEPENDENCIES SEMI COLON (B) EVEN IF IT DID, THE WHITE CARD DOES NOT ABSOLVE THE HOLDER OF THE REQUIREMENT TO PRESENT HIMSELF TO AN IMMIGRATION OFFICER AT A RECOGNISED PORT OF ENTRY AND (C) THE MFA AND DAVIDOFF KNEW THAT THE RECOGNISED PORT OF ENTRY FOR SOUTH GEORGIA WAS GRYTVIKEN. 2. I AM APPALLED AT THE ARROGANCE OF THE MESSAGE WHICH CONFIRMS MY PREVIOUS FEARS THAT THE ARGENTINE GOVERNMENT ARE USING DAVIDOFF AS A FRONT TO ASSERT WITH A PHYSICAL PRESENCE THEIR SOVEREIGNTY CLAIM OVER SOUTH GEORGIA. HUNT [COPIES SENT TO NO 10 DOWNING ST.] STANDARD ADDITIONAL DISTRIBITION S AM D FALKLAND ISLANDS CABINET OFFICE CONFIDENTIAL

10 DOWNING STREET From the Private Secretary 28 March 1982 1 1 11 -FALKLAND ISLANDS The Prime Minister was grateful for the note which you enclosed with your letter of 26 March and which deals with the defence implications of possible Argentinian action against the Falkland Islands. She has noted its contents. N. H. R. Evans, Esq., Ministry of Defence. SECRET

SECRET



PARLIAMENTARY UNDER-SECRETARY OF STATE FOR THE ARMED FORCES

D/US of S(AF)/JW/25/5/7 92/82

Prime Minute stil we do need a very early Ob discussion on the father of Endersone. Agree? 1 A.J. C. 3

FOREIGN AND COMMONWEALTH SECRETARY

Falkland Islands: HMS Endurance

I am replying in John Nott's absence, but with his knowledge and agreement, to your minute of 24 March. This minute also confirms my telephone conversation earlier today with Richard Luce. The contingency paper on the defence of the Falkland Islands is being circulated today.

You asked whether as a temporary solution HMS Endurance could remain on station in the Falklands area beyond her planned departure date. It would be possible to defer HMS Endurance's departure from the area by up to two months. After this period we would begin to run into serious manpower problems (not least because the members of her ship's company have been reappointed).

John will wish to discuss with you the broader question of the ship's future. He would I know wish me to make the following points. There is some urgency about reaching a final decision. To keep the ship in service for even one more year it would be necessary to take an early decision to set arrangements in hand for her annual maintenance which, because of the planned rundown in dockyard capacity, might have to be put out to commercial

SECRET

contract. My officials are exploring the practical implications of the ship's retention, including the provision of a new ship's company, on a contingency basis.

The pressures to reprieve Endurance have obviously been intensified by the South Georgia incident, but the necessary money would have to be found for this, in the same way as for the other contingency measures referred to in your minute to the Prime Minister. No provision has been made within the defence budget. And while I accept that Endurance's annual deployment to the South Atlantic has great symbolic importance as a demonstration of our commitment to the Falklands, the fact remains that were the Argentinians to bring to bear the sizeable naval resources they have available, Endurance could make only a very limited contribution to the defence of the Falklands. In defence terms, her utility is marginal and the pressure on the defence budget is such that we cannot see our way to pay for her retention.

For the reasons I have mentioned there is everything to be said for a very early discussion by OD, hopefully before Easter.

In the meantime, contingency planning is being set in hand to retain Endurance on station. We are separately arranging to sail a support vessel on 29 March against the possibility that Endurance might be required to remain off South Georgia for the foreseeable future.

SECRET

I am copying this minute to the Prime Minister and to the Chancellor of the Exchequer.

26 March 1982

Jerry Wiggin

May 12, 1982

SECRET MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1 Telephone 01-980 2022 218 2111/3 26th March 1982 MO 5/21 Dew John, will age ? FALKLAND ISLANDS In his minute to the Prime Minister of 25th March the Foreign Secretary suggested that the Defence Secretary would wish to circulate a note on contingency planning on the military side. Mr Nott has agreed and I attach a note prepared by MOD officials on the defence implications of Argentinian action against the Falkland Islands. The note deals with the specific military options open to the Argentinians, which were identified in the JIC assessment of July last year. It does not deal with the current situation on South Georgia. The note makes clear that our scope for effective military action in response to whatever the Argentinians may do is extremely limited, and that almost anything we could do would be too late and/or extremely expensive. I am copying this letter to Private Secretaries of other members of OD and to David Wright. yan siardy (N H R EVANS) A J Coles Esq SECRET

DEFENCE IMPLICATIONS OF ARGENTINE ACTION AGAINST THE FALKLAND ISLANDS

Introduction

- The recent JIC assessment (1) argued that the Argentine Government would prefer to pursue their sovereignty claim by peaceful means, but that if they concluded there was no hope of a peaceful transfer of sovereignty, military action could not be ruled out. Argentine military options were identified as:
 - Harrassment or arrest of British shipping. a.
 - Military occupation of one or more of the uninhabited islands.
 - Arrest of the British Antarctic Survey Team on South Georgia.
 - Small scale military operation against the Islands. d.
 - Full scale military invasion of the Islands.

This note considers the defence implications of seeking to deter or counter these options by military means.

Argentine Military Capability

- Argentina, with some of the most efficient armed forces in South America, has the military capability to pursue any of the options listed above. Her navy includes an aircraft carrier, a cruiser, 4 submarines and 9 destroyers backed up by amphibious ships, maritime patrol aircraft and offshore patrol vessels, and with 5 Marine battalions has the capacity to mount a substantial naval or amphibious assault operation. Air superiority would be afforded by land and carrier based combat aircraft. The Argentine Air Force inventory includes over 200 fighter aircraft and 11 Canberra bombers. Note:
- JIC(81)(N)34 dated 9 July 1981.

Page 1 of 6 Pages

SPRINTEREDURA

Falkland Islands being about 400 miles from the nearest
Argentine naval and air bases.

Britain's Military Capability in the Area

- 3. The Falkland Islands are nearly 8,000 miles from the UK.

 They comprise two large and upwards of 100 small islands with a population of about 1,800 concentrated in and around the capital,

 Port Stanley, on East Falkland. The two Falkland Islands dependencies,

 South Georgia and the South Sandwich Islands Group, are situated about 800 and 1,300 miles respectively to the South East and are uninhabited except for the 20 scientists of the British Antarctic Survey (BAS) on South Georgia and an unauthorised Argentine base on South Thule.
- 4. We retain a garrison of 42 Royal Marines on East Falkland, equipped with light infantry weapons, whose primary task is to defend the seat of Government at Port Stanley. The garrison could offer small-scale resistance to a minor localised incursion, but do not have the manpower, firepower, transport or communications to deal with anything but a very minor incident on one of the outlying islands. The part-time Falkland Islands Defence Force (approximately 100 men thinly scattered throughout the Islands) is of very limited military value.
- 5. The Ice patrol vessel, HMS ENDURANCE, patrols the area in the summer months (November-April) but 1981/82 will be her last season. She is very lightly armed but has two Wasp helicopters embarked, equipped with anti-ship missiles. She has also a secure communications link with the UK. Her main value lies in maintaining a visible RN presence. After 1982 there will be only infrequent visits by RN ships.

eneral Constraints on Reinforcement of the Falkland Islands

- 6. Apart from South American airfields, which would be denied us, the nearest airfield is at Ascension Island, nearly 3,500 miles away. The only RAF aircraft which could cover this distance and operate from the 4,100 ft Port Stanley runway is the Hercules. Carrying maximum fuel and with its payload reduced to no more than 30 lightly equipped men, the aircraft could cover the distance only with favourable winds. Moreover, the lack of diversion airfields, limited airfield facilities including aviation fuel and the adverse and unpredictable weather conditions, all militate strongly against using Port Stanley airfield for military operations.
- 7. A British military response to Argentine provocation would therefore have to be primarily a naval one. Unless RN forces were already deployed to the South Atlantic or Caribbean as part of a normal peacetime deployment, reinforcement would probably have to come from the UK. With passage time in the order of 20 days for surface ships and a minimum of 13 days for a nuclear powered submarine (SSN) and, depending on the scale of the operation, the additional time required for assembly and preparation, reinforcement by sea could take a month or more. There could be significant penalties to our commitments elsewhere. It could be possible, at the outset of a period of rising tension with the prospect of Argentine military action against the Falkland Islands, to deploy a SSN to the region. If done covertly, this could provide us with advance warning of Argentine military deployments. If overtly, it could serve as a useful deterrent pending the arrival of further naval reinforcements.

essible Responses to Argentine Action

- a. Harrassment or Arrest of British Shipping. While the amount of British shipping currently in the area is relatively small, it offers an easy target for Argentine harrassment. We could decide to deploy a frigate on a semi-permanent, deterrent basis. To maintain one frigate always on station would require the deployment of two, to allow for maintenance and unserviceability. In the absence of local South American facilities, two RFAs would be required in support. Such a RN presence might be effective in deterring harrassment, but the initiative would remain with the Argentines, once the force departed. Prevention of an attempted arrest of British shipping could require the use of force.
- b. Military occupation of one or more of the uninhabited islands. A realistic force to evict a small military force from an uninhabited island would be a Royal Marines Company Group (around 150 men) with amphibious assault craft and helicopter support. In addition, a naval protection force (on similar lines to 8a) would be required. Were the force to remain for more than a few weeks, additional logistic support and resupply would be needed.
- a possible arrest, an additional detachment of Marines could be deployed to the Falklands to be stationed on South Georgia. They would need accommodation and, in the absence of a RN presence, would have to rely on a BAS ship for deployment and subsequent resupply.

- d. Small scale military operation against the islands.

 Permanent or semi-permanent reinforcement of the garrison to deter a small-scale invasion of say East Falkland would require a larger force. This could comprise a Royal Marines Commando Group of 850 men including an air defence capability of Blowpipe or Rapier as well as support from amphibious assault craft, helicopters, engineers and RN ships. Air support would be desirable, but only the Harrier could operate from Port Stanley airfield and its deployment would pose a formidable operational and logistic problem.

 Invincible or Hermes, as available, could provide

 Sea Harrier air cover and support helicopters but such deployment would be costly.
- Full scale military invasion of the Islands. e. order to deter a full-scale invasion, a large balanced force would be required, comprising for example, Invincible or Hermes with an LPD and LSLs, 4 destroyers/ frigates, plus an SSN, supply ships in attendance and additional manpower, up to brigade strength, to reinforce the garrison. Such a deployment would be very expensive and would engage a significant portion of our naval resources. Moreover, its despatch could well precipitate the very action it was intended to deter. If then faced with Argentine occupation of the Falkland Islands on arrival, there could be no certainty that such a force could retake the Dependency. Argentine national pride would demand a maximal response. Their geographical advantage and the relative sophistication of their armed forces would put our own task group to a serious disadvantage, relying as it would on extended lines of communication.

Conclusions

9. Military measures to deter or counter Argentine military action against the Falkland Islands would require the despatch to the area of additional forces, primarily naval, and on a substantial scale. Any such deployment would be costly and pose considerable logistic difficulties. To deter or repel even a small scale invasion would require a significant commitment of naval resources, at the expense of commitments elsewhere, for a period of uncertain duration. To deal with a full scale invasion would present significantly greater problems requiring naval and land forces with organic air support on a very substantial scale; the logistic problems of such an operation would also be formidable.

TYPISTS

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FM HMS ENDURANCE

TO RBDEC/CINCFLEET

RBDWDFA/HEGFI
INFO RBDWC/MODUK NAVY

RBDWDFA/FCO LONDON

RBDWDFA/HMA BUENOS AIRES

ZEN/FOF3

BT

C O N F I D E N T I A L

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SIC EAL/LDQ/A3A
REQUEST COMMCEN FCO LONDON PASS TO HEGFI.

SOUTH GEORGIA MY EAL/LDQ/A3A 261100Z

1. ARGENTINE PARTY ARE STILL ASHORE AT LEITH. ALTHOUGH ONLY
TWO PEOPLE WERE ACTUALLY SIGHTED THIS MORNING SMOKE WAS EMERGING
FROM SEVERAL BUILDING AND 2 BOATS WERE STILL ALONGSIDE JETTY.

2. 65 BLUE DRUMS HAD BEEN STACKED AT INSHORE END OF JETTY A
LARGE QUANTITY OF STORES AND EQUIPMENT WAS VISIBLE EVEN DEAD
REINDEER

3. CONSIDER SHORE PARTY WERE WORKING LATE INTO EVENING YESTERDAY DISEMBARKING STORES FROM BAHIA PARAISO AND ARE NOW ESTABLISHED FOR A LONG STAY AT LEITH

4. IT IS CLEAR THAT THIS OPERATION HAD BEEN PREPLANNED FOR SOME TIME AS BAHIA PARAISO CAME FROM ANTARCTIC AND NOT ARGENTINA BT

CONFIDENTIAL

GRS 75 CONFIDENTIAL FROM PORT STANLEY 261339Z MAR 1982 TO FLASH FCO TELEGRAM NUMBER 55 OF 26 MARCH AND FLASH INFO BUENOS AIRES, MODUK NAVY AND CINC FLEET

SOUTH GEORGIA.

- .i. CAPTAIN BARKER OF HMS ENDURANCE REPORTED 1315Z THAT ARGENTINE SHIP BAHIA PARAISO DEPARTED LEITH ABOUT 0500Z THIS MORNING. FOGGY CONDITIONS NOW MAKE IT DIFFICULT FOR OBSERVATION PARTY TO ASCERTAIN WHETHER ANYBODY HAS BEEN LEFT AT LEITH.
- 2. ARGENTINE HELICOPTER WAS HEARD OPERATING DURING NIGHT BUT NEITHER BAHIA PARAISO NOR HELICOPTER CAME NEAR GRYTVIKEN.
- 3. ENDURANCE WILL REPORT DIRECT AS SOON AS THEY CAN CONFIRM WHETHER SHORE PARTY HAS BEEN REMOVED OR NOT.

HUNT

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STANDARD SAM D CABINET OFFICE ADDITIONAL DISTRIBUTION FALKLAND ISLANDS

Prime minister 2

RESTRICTED



Foreign and Commonwealth Office

London SW1A 2AH

25 March 1982

Dear John,

South Georgia

You asked for a note for the Prime Minister's box tonight on the contract held by the Argentine, Mr Davidoff, for disused equipment at whaling stations in South Georgia. This is enclosed.

Yours ever 4 Homes

(J E Holmes)

Private Secretary

A J Coles Esq 10 Downing Street

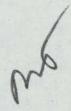
RESTRICTED SOUTH GEORGIA: MR DAVIDOFF'S CONTRACT 1. Christian Salvesen Limited of Edinburgh is the lessee under Crown leases of disused whaling stations at Leith Harbour, Stromness and Husvik on South Georgia and owns all the equipment on these stations. 2. In 1978 they were approached by a Mr Constantino Davidoff, a scrap metal merchant from Buenos Aires, who offered to purchase the equipment from Salvesen and remove it for his own purposes. The then Governor of the Falkland Islands opposed any Argentine involvement in the dismantling of the stations, but eventually agreed not to stand in the way of the signing of a contract. Mr Davidoff was given in 1979 an option to purchase the equipment and dispose of it. The option was exercised in 1980 and Salvesen received £105,000 from Mr Davidoff. The equipment was to be removed by March 1983; any remaining after that date would revert to Salvesen's ownership. Mr Davidoff maintained sporadic contact with our Embassy in Buenos Aires in 1980 and 1981. It was clear that he had no real idea of what he had purchased and did not even know how he would get to South Georgia to find out. However he appeared amenable, offering to take with him any supplies the BAS base might require; and he assured the Embassy that he was well aware of the need to observe the proper formalities before landing on South Georgia. In December 1981, Mr Davidoff wrote to the Embassy in Buenos Aires, informing them that he was planning to make an exploratory visit to South Georgia. He did not specify how he was going to travel, but he had already left by the time that the Embassy received his letter. The Commander of the /BAS base RESTRICTED

BAS base at Grytviken subsequently reported that an Argentine Navy ice-breaker had been sighted in Stromness Bay and that there was evidence of a landing at Leith Harbour. His authority had not been sought. The Embassy formally lodged a protest with the Argentine Ministry of Foreign Affairs, who rejected it.

5. In February, Mr Davidoff called at our Embassy. He claimed to be unaware that his exploratory visit to South Georgia in December had caused any trouble and gave notice that he would be returning in March to salvage the equipment. It was made clear to him that it was essential for the necessary formalities to be complied with before he began operations and Mr Davidoff said he was anxious not to create any difficulties. On 9 March he wrote to the Embassy to inform them of his intention to leave for South Georgia on 11 March. He had hired the Argentine naval transport vessel, the Bahia Buen Suceso, specially for the task. Again, he left before the Embassy could contact him and no more was heard until the BAS base commander reported sighting the Bahia Buen Suceso at Leith on 19 March.

GRS 504

SECRET DESKBY 251900Z FII FCO 251500Z MARCH 82 TO IMMEDIATE WASHINGTON TELEGRAM NUMBER 569 OF 25 MARCH



MIPT: ILLEGAL LANDING ON SOUTH GEORGIA

- 1. THE COMMANDER OF THE BRITISH ANTARCTIC SURVEY BASE AT GRYTVIKEN ON SOUTH GEORGIA REPORTED ON 19 MARCH THAT AN ARGENTINE NAVY CARGO VESSEL WAS ANCHORED IN NEARBY LEITH HARBOUR AND THAT A LARGE PARTY OF ARGENTINES WERE SETTING UP CAMP. THE ARGENTINE FLAG HAD BEEN HOISTED. THE BASE COMMANDER TOLD THE MEN THEY HAD NO RIGHT TO LAND ON SOUTH GEORGIA WITHOUT SEEKING PERMISSION FROM THE BRITISH AUTHORITIES AND ORDERED THEM EITHER TO SEEK THE NECESSARY CLEARANCE OR TO LEAVE. WE SOUGHT IMMEDIATE CLARIFICATION FROM THE ARGENTINE GOVERNMENT, BOTH IN BUENOS AIRES AND LONDON, MAKING CLEAR THAT WE REGARDED THIS AS A POTENTIALLY SERIOUS INCIDENT AND ASKING THE ARGENTINES TO ARRANGE FOR THE IMMEDIATE DEPARTURE OF THE SHIP AND PARTY. HMS ENDURANCE, OUR ANTARCTIC ICE-PATROL VESSEL, WAS ORDERED INTO THE AREA.
- 2. THE ARGENTINE SHIP AND MOST OF THE PARTY LEFT ON 21 MARCH. BUT ABOUT TEN ARGENTINES REMAINED. THE ARGENTINE GOVERNMENT, WHO CLAIMED TO HAVE HAD NO PRIOR KNOWLEDGE OF THE LANDING, ASSURED US THAT NO SERVING MILITARY PERSONNEL WERE INVOLVED: THE MEN WERE WORKING FOR A COMMERCIAL COMPANY WHICH HAS A CONTRACT TO REMOVE EQUIPMENT FROM DISUSED WHALING STATIONS ON SOUTH GEORGIA. IT WAS HOWEVER UNREASONABLE TO EXPECT ARGENTINES TO SEEK OUR AUTHORISATION FOR THEIR PRESENCE ON TERRITORY CLAIMED BY ARGENTINA.
- 3. WE MADE CLEAR TO THE ARGENTINES THAT WE COULD NOT ALLOW

The standard State of Land

SECRET

EVEN THE NOW SMALL NUMBER OF MEN TO REMAIN AND TOLD THEM THAT HMS ENDURANCE WAS UNDER WAY TO THE AREA WITH INSTRUCTIONS TO TAKE THE MEN ON BOARD, WITHOUT USING FORCE, AND RETURN THEM TO ARGENTINA VIA PORT STANLEY. THE ARGENTINES REPLIED THAT THEY WOULD REGARD THIS AS GRAVELY PROVOCATIVE. WE ASSURED THEM IN TURN THAT WE WISHED IF AT ALL POSSIBLE TO PREVENT ANY ESCALATION OF THIS INCIDENT, BUT THAT THE MEN HAD TO BE REMOVED SOON. IF THE ARGENTINES COULD DEVISE A METHOD OF DOING SO, WE WOULD BE PREPARED TO PERMIT IT. IF NOT, THE CAPTAIN OF HMS ENDURANCE WOULD HAVE TO CARRY OUT HIS INSTRUCTIONS.

- 4. WE HAVE SET NO DEADLINES, BUT UNLESS THERE IS EARLY ACTION
 WE SHALL COME UNDER INCREASING PRESSURE HERE, WHERE THERE
 HAS BEEN INTENSE PUBLIC AND PARLIAMENTARY INTEREST, TO ORDER
 HMS ENDURANCE IN.
- 5. WE ARE UNDER NO ILLUSIONS ABOUT THE POSSIBLE CONSEQUENCES OF TAKING THIS ACTION. * INDICATE
 THAT THE ARGENTINE NAVY MAY SEEK TO CONFRONT HMS ENDURANCE IN
 THE PERFORMANCE OF HER TASK. HMS ENDURANCE IS ONLY LIGHTLY
 ARMED AND WOULD BE NO MATCH FOR ARGENTINE WARSHIPS. THERE
 WOULD ALSO BE A GRAVE DANGER OF ANY CONFLICT SPREADING MORE
 WIDELY: AND ACTION AGAINST THE FALKLANDS THEMSELVES COULD NOT
 BE EXCLUDED.
- 6. WE ARE DOING EVERYTHING WE CAN TO DEFUSE THIS POTENTIALLY DANGEROUS SITUATION AND HAVE GIVEN THE ARGENTINES EVERY POSSIBLE LATITUDE FOR FINDING AN EXIT, BUT IN THE FINAL ANALYSIS WE CANNOT ACQUIESCE IN THIS INFRINGEMENT OF BRITISH SOVEREIGNTY AND WE ARE BOUND TO TAKE ACTION TO RESTORE THE STATUS QUO.

CARRINGTON

STANDARD S AM D CABINET OFFICE ADDITIONAL DISTN. FALKLAND ISLANDS

2 SECRET

* Passage delever and retained under Section 364).

@Wayland, 22 May 2012

OO WASHINGTON DESKB 251900Z
GRS 301
SECRET
DESKBY 251900Z
FM FCO 251800Z MARCH 82
TO IMMEDIATE WASHINGTON
TELEGRAM NUMBER 568 OF 25 MARCH
ILLEGAL LANDING ON SOUTH GEORGIA



1. GIFFARD (DUS) BRIEFED THE US CHARGE D'AFFAIRES TODAY ON THE ARGENTINE PRESENCE IN SOUTH GEORGIA ON THE LINES OF MIFT, WHICH CONTAINS AN ACCOUNT OF THE LATEST SITUATION. GIFFARD MADE CLEAR TO STREATOR THAT WE WERE VERY CONCERNED ABOUT THE POTENTIALLY EXPLOSIVE SITUATION WHICH HAD NOW BUILT UP. INDIC -ATED THAT ARGENTINE WARSHIPS WERE PREPARING TO RESIST ACTION BY US TO REMOVE THE ARGENTINES BY ONE OF OUR OWN SHIPS IN THE AREA. GIFFARD RAISED THE POSSIBILITY THAT I WOULD ASK HAIG TO INTERVENE WITH THE ARGENTINE GOVERNMENT TO PERSUADE THEM TO SEEK AN EARLY PEACEFUL SOLUTION OF THE PROBLEM BY REMOVING THE LANDING PARTY THEMSELVES. STREATOR SAID THAT HE WOULD REPORT OUR CONCERN IMMEDIATELY TO WASHIGNTON AND SOUNDED OPTIMISTIC ABOUT THE LIKELIHOOD OF CONSTRUCTIVE INTERVENTION BY MR HAIG.

LIKELIHOOD OF CONSTRUCTIVE INTERVENTION BY MR HAIG.

2. SINCE STREATOR WAS BRIEFED, THERE HAVE BEEN TWO FURTHER

DEVELOPMENTS. AN ARGENTINE SHIP HAS ARRIVED AT LEITH. IT IS

AN UNARMED SCIENTIFIC SHIP, ALTHOUGH IT BELONGS TO THE

ARGENTINE NAVY. IT IS NOT CLEAR WHETHER ITS PURPOSE IS TO PICK

UP THE LANDING PARTY OR TO PREVENT ACTION BY US. THE ARGENTINES HAVE

SINCE TOLD US IN BOTH BUENOS AIRES AND LONDON THAT IT IS NOW VIRTUALLY IMPOSSIBLE FOR THEM, WITHOUT UNACCEPTABLE LOSS OF FACE, TO TAKE

OFF THE MEN THEMSELVES.

3. I STILL HAVE IT IN MIND TO SEND A MESSAGE TO HAIG ASKING FOR HIS HELP IN COOLING DOWN THE ARGENTINES BUT I AM AWAITING FURTHER WORD FROM THEM (THE ARGENTINE FOREIGN MINISTER IS APPARENTLY IN THE PROCESS OF SENDING ME A MESSAGE) BEFORE DOING SO. IN THE MEANTIME WE ARE NOT ASKING THE AMERICANS FOR SPECIFIC HELP. YOU SHOULD DRAW ON THE ABOVE AND MIFT IF YOU ARE APPROACHED BY THE AMERICANS.

CARRINGTON

DIST: STANDARD ADDIT. DIST.

FALKLAND ISLANDS

SAMD

CABINET OFFICE

SECRET

* - * Prissage delever and revained under Section 314)

Changland

22 May 2012

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CONFIDENTIAL

GRS 85

CONFIDENTIAL

FROM PORT STANLEY 252101Z MAR 1982

TO FLASH FCO

TELEGRAM NUMBER 52 OF 25 MARCH

AND FLASH INFO BUENOS AIRES, MODUK NAVY AND CINC FLEET

SOUTH GEORGIA.

1. CAPTAIN BARKER OF ENDURANCE REPORTED AT 2030Z THAT HE HAD PERSONALLY OBSERVED THREE LANDING CRAFT AND ONE MILITARY HELICOPTER WORKING CARGO BETWEEN BAHIA PARAISO AND LEITH JETTY, BUT MORE EQUIPMENT APPEARED TO BE OFF-LOADED THAN EMBARKED. HE THOUGHT THAT ONE PIECE OF EQUIPMENT GOING ASHORE WAS A GENERATOR.

2. HE RECOGNISED PENNANT OF THE SENIOR OFFICER, ANTARCTIC SQUADRON, FLYING FROM BAHIA PARAISO.

HUNT

STANDARD SAMD CABINETOFFICE

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No. 10 DOWN ... STREET

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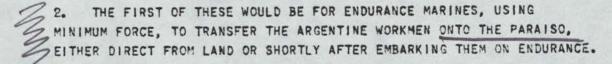
FM BUENOS AIRES 25/2004Z MAR 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 103 OF 25 MARCH 1982
INFO IMMEDIATE FORT STANLEY (PERSONAL FOR GOVERNOR), MODUK NAVY AND
CINCFLEET

MY TELNO 101: SOUTH GEORGIA

1. FURTHER THOUGHT SUGGESTS FOUR OTHER POSSIBLE ALTERNATIVES (ALL FAIRLY UNSATISFACTORY) BEYOND THAT MENTIONED IN PARAGRAPH 3 OF MY TUR. THEY HAVE NOT BEEN DISCUSSED WITH ANYONE.



- 3. THE SECOND WOULD BE TO USE THE MARINES ON LAND TO EXPEL THE WORKMEN FROM THE SITE AND TO LEAVE THEM EG ENCAMPED ON THE BEACH. THEY WOULD THEN HAVE NO INCENTIVE TO STAY AND MIGHT SPONTANEOUSLY EMBARK ON PARAISO.
- 4. THE THIRD IS FOR US OURSELVES TO STRIKE A BARGAIN WITH DAVIDOFF THAT, IF HE NOW WITHDRAWS HIS MEN SPONTANEOUSLY, HE CAN BRING THEM BACK, GOING PROPERLY THROUGH GRYTVIKEN. LATER AND COMPLETE HIS CONTRACT. THIS OBVIOUSLY INVOLVES MORE CONCESSION, BUT IS LESS RISKY. WE MUST ALSO BEAR IN MIND THAT DAVIDOFF MAY WELL HAVE A CASE IN LAW FOR DAMAGES AGAINST FIG OR HMG IF HIS CONTRACT IS NULLIFIED WITHOUT DUE PROCESS.
- 5. THE FOURTH ALTERNATIVE WOULD, OF COURSE, BE TO SUGGEST THAT OUR TWO GOVERNMENTS INVOKE THE GOOD OFFICES OF A THIRD, EG THE UNITED STATES. I CANNOT SEE ANY OF THE THREE BEING GREATLY ENTHUSED SEMI COLON BUT IT MIGHT BE BETTER THAN AN ARMED CLASH.

WILLIAMS

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FM BUENOS AIRES 25/215¢Z MAR 82

TO FLASH FCO

TELEGRAM NUMBER 1¢5 OF 25 MARCH 1982

INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR)

MODUK (NAVY) AND CINCFLEET

YOUR TELNO 72 : SOUTH GEORGIA

1. I SPOKE ACCORDINGLY TO COSTA MENDEZ AT 2115Z THIS EVENING,
LEAVING MY SPEAKING NOTE AND EMPHASISING THE IMPORTANCE OF THE
SEMANTICS. HE DECLINED TO EXPRESS AN OPINION WHETHER THIS FORMULA
COULD BE WORKED UNTIL HE HAD CONSULTED THE PRESIDENT AND PROMISED
TO COME BACK TO ME, IF POSSIBLE TONIGHT, WITH A REACTION AND ALSO
WITH A PERSONAL MESSAGE TO YOU.

WILLIAMS

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FM BUENOS AIRES 25/1623Z MAR 82

TO FLASH FCO

TELEGRAM NUMBER 101 OF 25 MARCH 1982
INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR), MODUK NAVY AND CINCFLEET

YOUR TELNO 71 : SOUTH GEORGIA

- 1. UNFORTUNATELY BY THE TIME I CARRIED OUT YOUR INSTRUCTIONS WITH FIRST ROS AND THEN COSTA MENDEZ REPORTS WERE ALREADY COMING IN THAT THE BRITISH PRESS WAS FULL OF STORIES OF ENDURANCE HAVING BEEN SENT TO SOUTH GEORGIA, THAT IT WAS TO TAKE OFF THE ARBENTIAL PARTY AND THAT THERE HAD BEEN A BRITISH QUOTE ULTIMATUM UNQUOTE. I WAS TOLD THAT THERE SEEMED NOW NO WAY IN WHICH THE ARGENTINES COULD REMOVE THE MEN, EVEN IF THEY AGREED TO DO SO, WITHOUT APPEARING TO HAVE RESPONDED TO THREAT. BOTH ROS AND COSTA MENDEZ SHOWED AN INCLINATION TO SPECULATE REGRETFULLY HOW ELSE THE AFFAIR COULD HAVE BEEN HANDLED BY US AND HAD TO BE BROUGHT FIRMLY BACK TO FACING THE CURRENT REALITIES. WHEN THEY SPOKE OF QUOTE GUNBOAT DIPLOMACK UNQUOTE I STRONGLY DEPRECATED THE VERY UNWISE APPLICATION OF THIS PHRASE, ONLY APPROPRIATE IF WE HAD SENT - ENDURANCE TO AN ARGENTINE PORT, TO THE QUITE NORMAL EXERCISE OF THE POLICING FUNCTION OF THE ESTABLISHED, IF DISPUTED, AUTHORITY IN THE AREA.
- 2. TURNING, MORE PROFITABLY, TO WHAT COULD NOW BE DONE, COSTA MENDEZ SAID QUITE FIRMLY THAT HE WOULD RATHER DEAL THROUGH ME THAN THROUGH A SPECIAL REPRESENTATIVE AND DID NOT FEEL THAT HE WOULD BE HELPED AT THIS STAGE BY A MESSAGE FROM THE PRIME MINISTER TO PRESIDENT GALTIERI. HE IS HOWEVER NOW PREPARING, AT MY SUGGESTION, A MESSAGE FROM HIMSELF TO YOU AND THIS I HOPE TO TRANSMIT LATER TODAY.
 - 3. AT HIS SUGGESTION WE ALSO AGREED THAT, WHILE HE LOOKED 1970 THE POSSIBILITY OF GETTING DAVIDOFF TO ORDER HIS MEN, EVEN AT THIS LATE STACE, TO GO TO GRYTVIKEN AND GET THEIR WHITE CARDS STAMPED, I WOULD ASK YOU WHETHER, IF THEY DID THIS, THE EXPULSION ORDER COULD BE REVOKED. THIS WOULD, OF COURSE, INVOLVE WORD EATING BY BOTH SIDES AND IT IS ONLY IN THE LIGHT OF THE DEFENCE IMPLICATIONS YOU MENTION THAT I VENTURE TO COMMEND WHAT LOOKS INCREASINGLY LIKELY TO BE THE ONLY ALTERNATIVE TO A BREAKDOWN STILL

AVAILABLE.

WILLIAMS

STANDARD S AM D

UND

CABINET OFFICE

ADDITIONAL DISTN. FALKLAND ISLANDS

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From the Private Secretary

fear John,

Falkland Islands

The Prime Minister has seen the minute (ref. no. PM/82/23) by the Foreign and Commonwealth Secretary on the above subject. Subject to the views of other members of OD, she is content that a message should be sent to the Argentine Foreign Minister on the lines proposed and also agrees that officials should be authorised to carry forward contingency planning for a sea service on an urgent basis.

I am copying this letter to the Private Secretaries of other members of OD as well as to the Private Secretaries to the Secretary of State for Energy and the Attorney General and to David Wright (Cabinet Office).

your work

John Holmes Esq Foreign and Commonwealth Office



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Ves (a) will manage to Argentine Foreign Nimited in

(b) that officials should carry broad

Ves caltagrang planning for a sea service worgethy:

A. J. C. 24.

Falkland Islands

- 1. My minute of 15 February (PM/82/11) outlined the position prior to the Anglo-Argentine talks held in New York on 26 and 27 February. Since then the situation on the dispute has developed to a point where we may now face the prospect of an early confrontation with Argentina.
- At New York the Argentines put forward difficult and demanding proposals for accelerating negotiations on the sovereignty issue. We, and the Island Councillors on our delegation, were nonetheless hopeful that, with careful handling on all sides, an acceptable basis for continuing the dialogue could be worked out. The relatively positive atmosphere at the talks was however soured very soon afterwards by the issue of an official Argentine statement hinting at the use of other means if HMG failed to fall in with Argentine proposals. This was accompanied by bellicose press comment threatening diplomatic and economic reprisals and military action to secure the Argentine aim. This changed the position. We want to continue negotiations, if only to avoid the consequences of their breakdown. But it is politically impossible for us or the Islanders to do so against a background of threats and pressures. The most recent incident, involving the unauthorised landing of a party of Argentines on South Georgia, demonstrates how delicate the present situation is and how careful we shall have to be, if negotiations are to continue, in presenting them to public opinion in the UK.
- 3. I therefore intend to send a message to the Argentine Foreign Minister setting out clearly the minimum terms on which we could continue negotiations and seeking Argentine confirmation. Islander Councillors have agreed the text at Annex A, though this will require amendment before issue to take account of developments over the illegal landing on South Georgia. Once the Argentines reply, I intend to publish the text of my message in order to demonstrate to both British and international opinion the importance we attach



to achieving a solution of the dispute through peaceful and genuine negotiations.

- 4. I think this is a reasonable line to take. I do not see that we could publicly justify, either here or in the Islands, a continuation of negotiations on anything less than the basis of my message to the Argentine Foreign Minister. I cannot however be confident that it will be acceptable to the Argentines. They have built up a dangerous head of steam on this issue and Argentine public opinion has been led to expect rapid progress only on Argentine terms and with the sole objective of arranging an early transfer of sovereignty. We have therefore to recognise that negotiations may now be at an end and that the Argentines will turn to other forms of pressure.
- 5. The Argentine options remain as set out in the Annex to JIC(81)(N)34, which was circulated last year. They are wideranging and cover international action at the United Nations (where they have had strong support in the past), diplomatic and commercial reprisals against us, and in the final analysis military action against the Islands. We shall need an early OD meeting to consider the full implications and the action we might need to take in response.
- 6. There is one aspect, however, which is particularly urgent. There is evidence that, if negotiations break down, the Argentines may move quickly to cut off some or all of the essential services which they now provide to the Islands. If that happens, Islanders and public opinion in this country will look to us to replace these services as best we can and to fulfil our pledge to support the Islands in any eventuality. We have to be ready for this.
- 7. I attach a paper prepared by my officials (Annex B) which describes these services and outlines ways of replacing them and the approximate costs. The main and most immediate problem would be to provide an alternative means of communications between the Islands and the outside world. An air service to Chile (or possibly



to Uruguay) would be the most convenient for Islanders. But it would be costly and politically uncertain. Air links to elsewhere would require an extension of the Port Stanley runway and are not a practicable proposition. I believe therefore, that while we should examine all the options, it is likely that the most sensible and cost-effective solution would be a sea service. If political circumstances allow, it would be best if such a service linked the Islands with a suitable point on the South American mainland; but I think it is more likely to have to operate to the UK.

- 8. I propose therefore that officials should be authorised to carry forward contingency planning on an urgent basis (this will require approaches to commercial companies and to other Governments which we cannot expect to remain confidential), with a view to making early recommendations. These, inevitably, will have financial implications. I have looked carefully at the planned commitments which my existing programmes have to cover, but have not been able to identify any source for continuing expenditures on even the minimum sum which we may need for the Falklands. I recommend, therefore, that we agree in principle that such financial provision as may prove necessary be found from the Central Contingency Reserve.
- 9. I am minuting separately to the Secretary of State for Defence seeking his agreement, on a contingency basis, to HMS Endurance remaining on station in the area of the Islands for the time being, so that it might provide any practical assistance and also a visible reassurance of our support for the Islands. I am also suggesting that he may wish to inform colleagues about contingency planning on the military side.
- 10. I am copying this minute to other members of OD, to the Secretary of State for Energy, to the Attorney-General and to Sir Robert Armstrong.

(CARRINGTON)



TEXT OF A MESSAGE FROM THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS TO THE ARGENTINE FOREIGN MINISTER

I was pleased to hear from Richard Luce about the progress which the Argentine and British delegations (with the assistance of Falkland Islands Councillors) made in New York on 26 and 27 February towards setting up new procedures for carrying forward and giving fresh impetus to negotiations about the future of the Islands. This reflected our determination to achieve a peaceful solution to this difficult issue, which would be acceptable to your Government, to the British Government and to the people of the Falkland Islands. You must also know of our subsequent disappointment (which Richard Luce has made clear to Sr Ros) at the statements which have been made, and the press reports which have been appearing, in Buenos Aires since the conclusion of those talks.

I therefore think it would be helpful, if we are to be able to proceed further along the lines discussed in New York that we should confirm our respective Governments' agreement on two essential points. Firstly, it is understood that the work of the proposed Negotiating Commission will encompass all aspects of and possible approaches to a solution of the dispute, without prejudice to either side's position on sovereignty. These talks must be genuine negotiations and cannot be based on any predetermined assumptions on what the outcome might be. Secondly, these negotiations cannot be pursued against a background of threats from either side of retaliatory action if they break down. We would welcome your assurance that the Argentine Government intends to further the negotiations on this basis.

In the spirit of the recent meeting in New York, and so that there may be no misunderstanding, I would intend, once you have replied, to publish this message and, with your permission, your reply.



NOTE BY OFFICIALS

FALKLAND ISLANDS: CONTINGENCY PLANNING AGAINST A WITHDRAWAL OF ARGENTINE SERVICES

- 1. At present the Argentines provide:
 - (i) a weekly air service;
 - (ii) some of the Islands' fuel;
 - (iii) some freight, mostly animal and human foodstuffs and building materials;
 - (iv) an emergency medical service;
 - (v) scholarships.

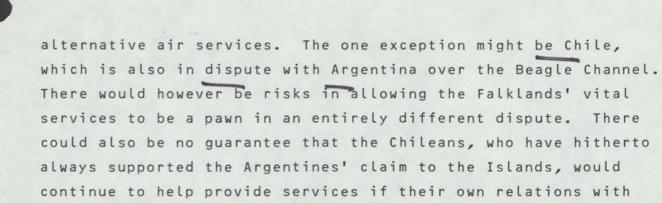
We have to assume that the Argentines may end any or all of these services.

COMMUNICATIONS

Air Service

- 2. The present Argentine weekly service has a carrying capacity of 30/40 passengers and is subsidised by the Argentine Government. A replacement for the air service would be difficult to set up and costly to run. The Civil Aviation Authority have been consulted.
- 3. Commercial aircraft using the present runway at Port Stanley could fly only to Punta Arenas in Chile without difficulty. Flights to Uruguay would involve significant sacrifice of payload, because of the range. The minimum requirement to take flights from elsewhere in South America outside Argentina would be an extension of the runway. A full feasibility study would be needed to assess the cost. The estimate is that an extension to 7,000 feet (to accommodate without difficulty aircraft from Uruguay or Brazil) would cost about £11 million at 1981 prices.
- 4. We have also to take into account that most South American countries, either under Argentine pressure or to avoid antagonising Argentina, are unlikely to be willing to allow the provision of

/alternative



Argentina were to ease. A service between Port Stanley and Punta Arenas could therefore provide a short-term but probably not a permanent solution.

- 5. The nearest point from which a politically secure service could operate would be South Africa. For this, the Port Stanley runway would have to be extended to 10-12,000 feet, at a cost of at least £16 million, to accommodate long-haul aircraft. In addition to extending the runway, a more sophisticated airport would be required, including, for example, improved lighting, guidance aids, air traffic control, fire-fighting capability etc. The additional cost would be substantial and we cannot expect that the expertise to man such an airport would be available in the Islands.
- 6. Whatever the route used, HMG would have heavily to subsidise it. The level of cost would depend on the route, the type of aircraft and its utilisation. The CAA estimate however that the cost of one round trip to Punta Arenas in Chile would be £9,000, to a Brazilian airport would be £16,000 and to South Africa £90,000. Only a little of this could be recouped in fares. The figures assume a frequent service, which in the event is unlikely to be practical, given that there are only 1800 Islanders, very few of whom are likely to be in transit at any one time. If the aircraft were not used fully, the running costs would be much higher.
- 7. A further factor is that the Argentines might refuse to allow Argentine airfields to be designated as alternatives to Port Stanley if an aircraft needed to divert. Legal advice is

/that

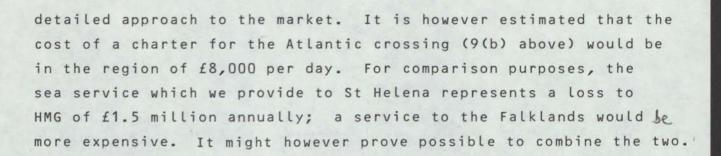


that it would be very difficult to institute a service in these conditions. Only a service to Punta Arenas in Chile would be short enough not to need diversionary airfields (although it would require transit through Argentine airspace).

Sea Service

- 8. At present the Falkland Islands Company's charter vessel visits the Islands four times a year to collect the wool crop and to deliver food and other supplies. The Falkland Islands Government also operates a small coastal vessel (on permanent charter to the Royal Marine garrison) which is capable of the crossing to Punta Arenas in Chile. Neither ship is equipped to carry passengers.
- 9. The need would therefore be to charter a vessel principally to provide a passenger service to and from the Islands and with a modest freight capacity. The Department of Trade have been consulted. There would be the following options:
- (a) To charter a smaller vessel to operate a regular route between Port Stanley and a South American port, eg Punta Arenas or Montevideo. This would be the most economical and most convenient for the Islanders. But the same political constraints would apply as for an air service.
- (which would have presentational problems)
 (b) To operate a passenger service to South Africa/or to the UK. A ship capable of making the Atlantic crossing might need to have the capacity to carry 60-70 passengers with some freight. It is doubtful whether the return journey could be made more than four times a year.
- (c) To operate a passenger/freight service to the UK, jointly with the Falkland Islands Company. While this would require a large vessel, there would be a sharing of cost with the Company.
- 10. The availability of vessels to meet these specifications and a quantification of costs cannot be obtained without a more

/detailed



FUEL

- 11. At present Argentina provides the Islands with petrol, avgas, kerosene and gas (all in drums). Diesel (the Islanders' principal requirement) is provided by the Ministry of Defence. However, following the withdrawal of HMS Endurance, there will be no Royal Naval requirement to replenish the tanks.
- 12. The alternative provision of fuel would partly depend on whether an air or a sea service was being operated. If the political constraints allowed, some fuel could be transported in drums from other South American countries (eg Chile) on the Falkland Islands' own coastal vessel. If this avenue is closed, it could be brought from the UK on the Falkland Islands Company's cargo ship. The cost to the Islanders would inevitably be greater, particularly as the Argentines at present provide fuel at mainland prices, which are lower than those in most other countries.
- 13. Supply of diesel (widely used for the Islanders' own needs and also required for the British Antarctic Survey ships) will present a more serious problem. If the Ministry of Defence are no longer able to replenish the diesel fuel tanks, the Falkland Islands Government would need to obtain alternative supplies by commercial means. This would probably be difficult in practice and very costly. We must expect that the Falkland Islands Government would look to the British Government to subsidise this.

/FREIGHT



FREIGHT

14. At present Argentine ships provide the Islands with some animal and human foodstuffs and timber. This could be mostly provided either on the Falkland Islands Company ship or any new sea service; but only at greater cost to the Islanders. Fresh fruit etc could be very difficult. Mail would become very infrequent.

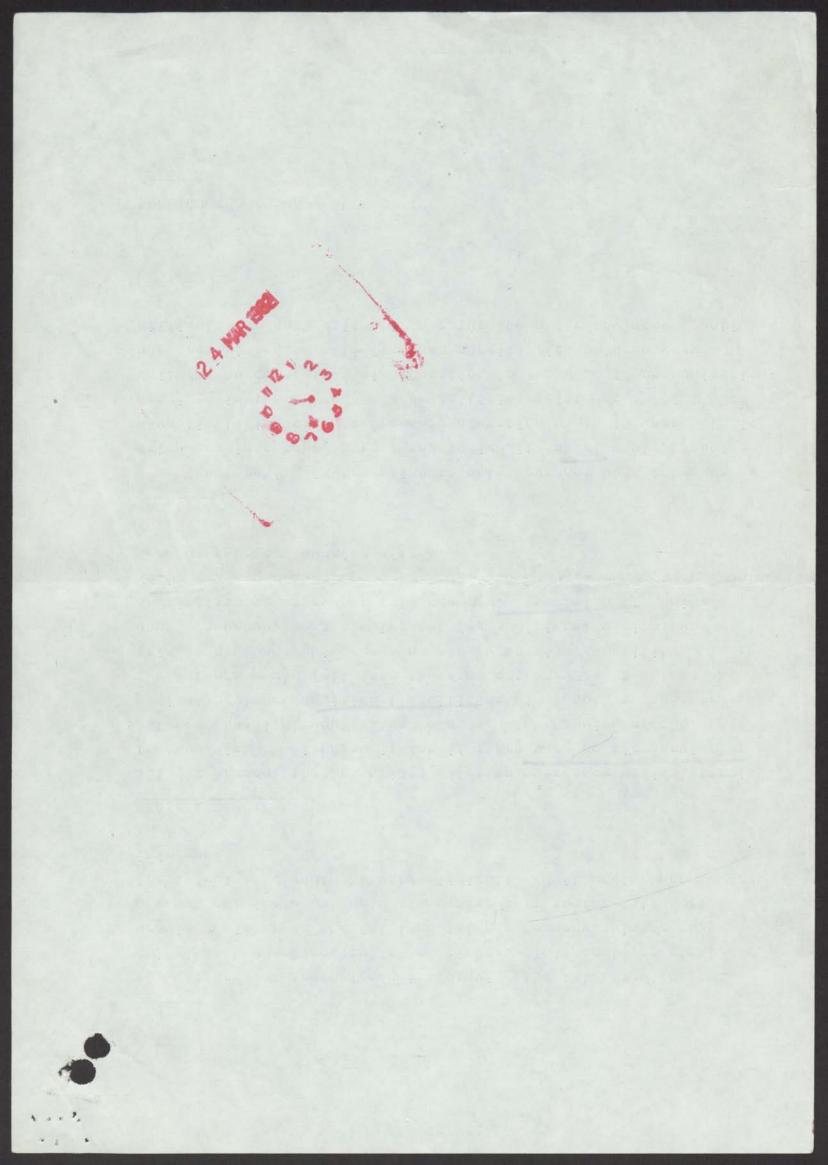
MEDICAL SERVICES

15. At present the Argentines offer an emergency medical service. If they wish to withdraw it (or if there were no air service) the Islands' hospital would have to cope. In the view of the ODA's medical adviser, additional facilities might not be necessary: the Islands would fall into the same category as St Helena and Tristan da Cunha which have no air evacuation capability. There would, however, be a requirement for additional visits by specialists to carry out cold surgery. The Islands' Senior Medical Officer considers a third doctor would be necessary and perhaps an extra nursing sister.

EDUCATION

16. Scholarships in Argentine schools have not been taken up by Islanders in recent years: and their withdrawal would therefore have little impact. At present, education up to 15 years old is provided in the Islands: and facilities exist for the Islands' children to complete their education in the UK. If communications were restricted to a limited sea service, it would be very difficult for such children to return home for any school holidays.

FOREIGN AND COMMONWEALTH OFFICE March 1982





FCS/82/55

SECRETARY OF STATE FOR DEFENCE

Prime Phinister To note, pending R. Notth raply.

Falkland Islands: HMS Endurance

- 1. As you know, we may be at a critical stage on the Falklands dispute. I am minuting separately to the Prime Minister and OD colleagues, setting out the present position and seeking political and financial authority to carry our civil contingency planning forward. In advance of an OD meeting on the Falklands, you may wish to consider whether it would also be helpful at this stage to circulate to colleagues the contingency paper which your officials have prepared on the defence aspects.
- 2. While we may still hope that a continuation of negotiations with Argentina will be possible, we must, I think, accept that * indicates that this is unlikely. * ~~~ the Argentines may be prepared to take early action to withdraw Argentine services to the Islands. If they do, there will be two main problems: how to replace them; and how to demonstrate to public opinon here and to the Islanders our commitment to support them. Detailed arrangements for a replacement of Argentine services will inevitably take some time. We must recognised that we could face criticism if we appear unable to step into the breach quickly.
- 3. There is one action we could take which would be an immediate demonstration of our support for the islands: that is to maintain HMS Endurance on station in Falklands waters for the time being. This would serve as a visible sign of our commitment, would be an appropriate signal to the Argentines and could allow us to provide practical assistance if necessary. I appreciate that this would cause difficulties, not least for the captain and crew of the ship at the end of their long season, and that such a solution could only be temporary. But the latest incident, on

- * Passage deleted and retained under Sechn 3(4) (Wayland SECRET 12 May 2012

/South Georgia



South Georgia, indicates how vulnerable we are and how important a role HMS Endurance can play. I think therefore that it would be of the greatest assistance if contingency plans could now be made for HMS Endurance to remain on station in the area of the Islands after the rotation of the Marine Garrison is completed at the end of this month. Indeed I suspect that our position, both here and in the Islands, would become politically untenable if HMS Endurance were not to remain on station beyond the date of her scheduled departure.

- 4. This of course leaves on one side the broader question of HMS Endurance's future. As you know, I believe that it must be retained for at least another year. The South Georgia incident has obviously reinforced the case for this. This is something we shall need to look at in OD fairly soon.
- 5. I am copying this minute to the Prime Minister and to the Chancellor of the Exchequer.

(CARRINGTON)

Foreign and Commonwealth Office 24 March 1982

GPS 290 CONFIDENTIAL FM BUENOS AIRES 23/2130Z MAR 82 TO FLASH FCO TELEGRAM NUMBER 94 OF 23 MARCH 1982 INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR) MODUK NAVY AND CINCFLEET



YOUR TELNO 68 : ILLEGAL LANDING ON SOUTH GEORGIA

- I CARRIED OUT THESE WELCOME INSTRUCTIONS WITH COSTA MENDEZ AT 2045Z THIS EVENING. HE WELCOMED YOUR UNDERSTANDING OF AND RESPONSE TO HIS PREOCCUPATIONS AND SAID THAT WE, THE DIPLOMATS, WERE NOW ENGAGED IN A MATTER OF CRISIS MANAGEMENT IN WHICH THE FIRST STEP HAD NOW BEEN TAKEN. HE HAD BEEN IN CONTACT WITH THE JUNTA AND WAS JUST ABOUT TO ENTER A MEETING WITH CERTAIN MILITARY REPRESENTATIVES AND WOULD GIVE ME SOME RESPONSE TO YOUR PARA 2 LATER THIS EVENING. I SAID THAT, IN ESSENCE THE SITUATION WAS THAT THE MEN MUST GO, TRANSPORTED EITHER BY US OR BY THE ARGENTINES. HE AGREED THAT THIS MEANT THAT AN ARGENTINE REMOVAL NEED NOT NECESSARILY INVOLVE THE BUEN SUCESO ITSELF AND I SUSPECT THERE MAY BE SOME OTHER FORM OF TRANSPORT ENVISAGED. MEANWHILE, THE MINISTER CONTINUED, THE OTHER PART OF CRISIS MANAGEMENT WAS HANDLING THE PRESS. WE AGREED THAT HERE IN BUENOS AIRES AT LEAST NOTHING MORE WOULD BE SAID THAN THAT SUCH AND SUCH MEETINGS HAD TAKEN PLACE AND THAT CONTACT CONTINUED.
- 2. COSTA MENDEZ IS, I THINK, TRYING TO BE HELPFUL AND SENSIBLE, BUT IS ON A SHORT REIN WITH PUBLIC OPINION AND THE MILITARY. HE IS MUCH CONCERNED WITH THE RISK OF SUBJECTING HIS MASTERS TO LOSS OF FACE. IS SHOULD BE GLAD OF VERBATIMS URGENTLY OF WHATEVER WAS SAID IN PARLIAMENT TODAY AND HOPE THAT WE CAN AVOID EG TALK OF QUOTE REMOVAL UNQUOTE RATHER THAN QUOTE DEPARTURE UNQUOTE.

WILLIAMS

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ZZ BUENOS AIRES

GRS 307
CONFIDENTIAL
FM FCO 231928Z MAR 82
TO FLASH BUENOS AIRES
TELEGRAM NUMBER 68 OF 23 MARCH
INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR)
IMMEDIATE MODUK NAVY, CINCFLEET



YOUR TELNO 91: ILLEGAL LANDING ON SOUTH GEORGIA

- 1. WE RECOGNISE THE RISK THAT THIS PROBLEM COULD ESCALATE DANOEROUSLY. WE THEREFORE WISH TO MAKE A FURTHER ATTEMPT TO RESOLVE IT IN A POLITICALLY UNCONTENTIOUS WAY. IN CONSEQUENCE, INSTRUCTIONS ARE NOW BEING SENT TO HMS ENDURANCE TO PROCEED TO GRYTVIKEN AND TO WAIT THERE FOR FURTHER INSTRUCTIONS.
- 2. PLEASE NOW SPEAK TO COSTA MENDEZ MAKING CLEAR THAT YOU ARE
 DOING SO ON MY BERSONAL INSTRUCTIONS. YOU SHOULD SAY THAT IN
 VIEW OF THE VERY STRONO EMOTIONS WHICH THIS INCIDENT HAS AROUSED
 IN THE UK (AS HIS CHARGE WILL HAVE WITNESSED IN PARLIAMENT TODAY)
 IT IS ESSENTIAL THAT THE REMAINING ARGENTINE PERSONNEL IN SOUTH
 GEORGIA SHOULD BE REMOVED WITHOUT DELAY. IF THE AROENTINE
 GOVERNMENT ARE ABLE TO ARRANGE FOR THE BAHIA BUEN SUCESO TO
 RETURN IMMEDIATELY TO LEITH AND TO COLLECT THE REMAINING MEN AND
 THEIR EQUIPMENT FOR RETURN TO ARGENTINA, I WOULD BE ERFCARED TO
 AUTHORISE THIS AND WOULD SEE NO NEED FOR HMS ENDURANCE TO BE
 INVOLVED. IF THIS CANNOT BE DONE WE HAVE NO CHOICE BUT TO
 REMOVE THEM OURSELVES. WE HOOE THEREFORE THAT THE ARGENTINE
 GOVERNMENT CAN GIVE SUCH AN ASSURANCE AND CAN LET US KNOW AS
 SOON AS POSSIBLE WHEN WE MAY EXPECT THE BAHIA BUEN SUCESO TO
 HAVE CARRIED THIS OUT.
- 3. YOU SHOULD GO ON TO TELL COSTA MENDEZ THAT OUR MAIN OBJECTIVE NOW MUST BE TO PREVENT THIS ISSUE FROM DEVELOPING POLITICAL MOMENTUM. IT IS ESSENTIAL THAT WE SHOULD NOT LOSE SIGHT OF THE OVERRIDING NEED TO ENSURE THAT THE RIGHT POLITICAL CLIMATE EXISTS FOR OUR MUTUAL EFFORTS TO RESOLVE THE FALKLANDS

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ZZ PORT STANLEY (PERSONAL FOR GOVERNOR)

OO MODUK NAVY

OO CINCFLEET

GRS 2ØØ

CONFIDENTIAL

FM BUENOS AIRES 22/1610Z MAR 82

TO FLASH FCO

TELEGRAM NUMBER 86 OF 22 MARCH 1982

INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR)

INFO IMMEDIATE MODUK NAVY AND CINCFLEET

YOUR TELNOS 36 AND 38 TO STANLEY : ILLEGAL LANDING ON SOUTH GEORGIA

1. I HAVE NOW SPOKEN TO BLANCO AND ENRIQUE ROS, CONVEYING ALSO WHAT FEARN TOLD MOLTENI. IN VIEW OF PARAGRAPH 5 OF STANLEY TELNO 41, I HAVE ALSO WARNED THAT GOVERNOR MAY HAVE MENTIONED PUBLICLY INVOLVEMENT OF HMS ENDURANCE.

2. THE ARGENTINES ARE GRATEFUL FOR OUR HELP IN AVOIDING EXAGGERATION THEY APPRECIATE GRAVITY OF THE HOISTING OF THE ARGENTINE FLAG, BUT SAY THEY HAVE JUST RECEIVED REPORTS THAT THERE HAS BEEN A PARALLEL INSULT TO THE ARGENTINE FLAG AT THE LADE OFFICE IN STANLEY. IN THE CIRCUMSTANCES WE SHALL BOTH HAVE TO WORK HARD TO AVOID AN EMOTIONAL ESCALATION.

WHETHER STN CAN CONFIRM IF ANYONE WAS LEFT AT LEITH. I STRONGLY RECOMMEND THAT IF CONTRACTORS MEN ARE STILL THERE, EVERY EFFORT IS MADE TO REGULARISE THEIR POSITION RETROSPECTIVELY AND TO ALLOW WORK TO CARRY ON. IT WOULD BE WHOLLY COUNTER PRODUCTIVE TO SEND THEM BACK HERE FOR A HEROES' WELCOME. SIMILARLY I URGE THAT WE REGARD DAVIDOFF AND NOT STN AS THE PRINCIPAL, AS ARGENTINE FOREIGN MINISTRY WOULD MUCH PREFER, SO THAT THE MATTER CAN BE TREATED AS IRREGULAR BEHAVIOUR BY A BUSINESS INTEREST RATHER THAN SOMETHING INTERGOVERNMENTAL.

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GRS 215 CONFIDENTIAL
PERSONAL
FROM PORT STANLEY 221236Z MAR 1982
TO IMMEDIATE FCO
TELEGRAM NUMBER 44 OF 22 MARCH

PS, PS, PS, PS/MITHURED PS/PUS MY Gilford HA/Deft Mark My Charles My Colo 85

MY TELNO 43: ILLEGAL LANDING IN SOUTH GEORGIA.

1. I HAVE AGREED TO PASS THE FOLLOWING MESSAGE TO YOU FROM LORD BUXTON, WHO HAS ASKED ME TO STRESS THAT IT IS A PRIVATE AND PERSONAL MESSAGE FROM A BACKBENCHER ON THE SPOT WHICH HE HOPES WILL BE HELPFULL.

2. QUOTE

A. THIS IS MY THIRD VISIT IN TWO YEARS TO ARGENTINA AND THE FALKLANDS AND IN THE LAST MONTH I HAVE ALSO VISITED ARGENTINE AND CHILEAN BASES IN ANTARCTICA, AND FINALLY SOUTH GEORGIA LAST WEEK. B. IN BUENOS AIRES I HAD A LONG PRIVATE TALK ALONE WITH COSTA MENDEZ WHICH I MENTIONED BRIEFLY TO YOUR COUNCILLOR JOY, BUT ABOUT WHICH I PROPOSE TO REPORT IN DETAIL TO RICHARD LUCE ON 30 MARCH. C. ASKED COSTA MENDEZ REPEATED AND DIRECT QUESTIONS ABOUT THE POSSIBILITY OF AGGRESSION AND GAINED THE IMPRESSION THAT OPEN ATTACK WAS UNLIKELY BUT THAT CASUAL UNOPPOSED LANDINGS WERE PROBABLE. HE IMPLIED THAT HE COULD NOT ANSWER FOR SUCH INDEPENDENT OPERATIONS. D. MAY I URGE YOU THEREFORE THAT DAVIDOFF'S CONTRACT SHOULD NOW BE RESCINDED SINCE THE TERMS HAVE BEEN IGNORED DELIBERATELY AND REPEATEDLY. ALTHOUGH I UNDERSTAND THAT SHIP AND MEN ARE NOW REPORTED TO HAVE LEFT LEITH, MAY I URGE THAT ENDURANCE CHECKS OUT THOROUGHLY TO CONFIRM THAT NO ARGENTINES REMAIN IN SOUTH GEORGIA. IF ANY DO REMAIN I FEEL THEY COULD BE THERE INDEFINITELY AND IT WILL PROVE VERY AWKWARD TO GET THEM OUT AT A LATER DATE.

E. IT HAS BEEN NAIVE TO REGARD DAVIDOFF AS A CASUAL SCRAP DEALER AND IT IS ABUNDANTLY CLEAR THAT EVERY MOVE HAS BEEN CAREFULLY RESEARCHED, PLANNED AND TIMED THROUGHOUT. I UNDERSTAND THE VISITS OF ADMIRAL IRIZAR AND BAHIA BUEN SUCESO TO SOUTH GEORGIA HAVE BEEN CLANDESTINE AND SILENT.

CLANDESTINE AND SILENT.

F. IF OUR REACTION IS PLACATORY AND IS NOT FIRM AND FINAL THIS TIME I PREDICT THAT MORE UNOPPOSED ILLEGAL LANDINGS WILL FOLLOW AND PROBABLY NEXT TIME SOMEWHERE IN FALKLANDS. I WILL EXPLAIN ON 30 MARCH HOW MY COSTA MENDEZ TALK SUPPORTS THIS VIEW. BRITISH REACTIONS ARE BEING TESTED AND WORSE WILL FOLLOW IF TIMID ADVICE IS FOLLOWED AND ILLEGALITIES ARE CONDONED.

G. ALTHOUGH CHAIRMAN OF ITN, ETC, I AM OBSERVING SILENCE AND AM SUBJECT TO GOVERNOR'S GUIDANCE. I AM ASKING HIM TO KINDLY FORWARD THE ABOVE TO YOU.

UNQUOTE.

HUNT

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SENT/RECD AT 221326Z BKW/MW

SHOULD TIS NOT BE ØØ3 PSE

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ZZ PORT STANLEY (PERSONAL FOR GOVERNOR)

GRS 18¢

CONFIDENTIAL

FM BUENOS AIRES 21/141¢Z MAR 82

TC FLASH FCO

TELEGRAM NUMBER 850F 21 MARCH 1982

INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR)

MY TELNO 84: ILLEGAL LANDING ON SOUTH GEORGIA

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Calo. Office

Frankard Distr.

FLASH

Argentina

1. BLANCO TELEPHONED AT MIDNIGHT (63662) WITH OFFICIAL ARGENTINE RESPONSE WHICH, WITHOUT PRONOUNCING ACTUAL APOLOGY, EXPRESSED HOPE THAT SIGNIFICANCE OF THE AFFAIR WOULD NOT BE EXAGGERATED. THE PARTY AND SHIP WOULD BE LEAVING SOUTH GEORGIA TODAY, HYYY WERE IN NO WAY OFFICIAL, HAD NO SERVING SERVICE PERSONEL OR MILITARY ARMS. I ASKED IF THEY WOULD CALL AT GRYTVIKEN AND WHAT ABOUT THE ARGENTIVE FLAG, DEFACED NOTICES ETC? BLANCO WAS NOT SURE ABOUT THE FIRST AND SAID HE HAD NO REPEAT NO KNOWLEDGE OF THE OTHER MATTERS. THE BAS OBSERVERS MUST HAVE BEEN MISTAKEN ABOUT THE SHOOTING, PERHAPS THEY WERE NOT ACCURATE OVER THE FLAG ETC EITHER. I SAID I WOULD REPORT WHAT HE SAID, "ADE CLEAR THAT IF THE PARTY LEFT WITHOUT REGULARISING THEIR CONDUCT AT GRYTVIKEN THEY WOUL! HAVE MADE AN ILLEGAL LANDING AND BE LIABLE TO ARREST AND, SPEAKING UNOFFICIALLY, ADMONISHED ABOUT ALLOWING SOMEONE LIKE DAVIDOFF TAKE ACTIONS WHICH, AS WAS CERTAINLY TRUE IN THIS CASE, PREJUDICED POLITICAL RELATIONS.

TED & L A & H PURE SIMULE (1 L. PLEASE PASS) TEGRAM NUMBER 35 OF 28 MARCH 1982 AND TO F L A S H BUENOS AIRES INFO IMMEDIATE MODUK NAVY AND CINCFLEET. YOUR TELNO 40: ILLEGAL LANDING ON SOUTH GEORGIA. 1. CINCFLEET IS SENDING INSTRUCTIONS TO CAPTAIN OF MAS ENDURANCE TO LEAVE FOR SOUTH GEORGIA AT 8938 HOURS ON 21 MARCH (ORIGINAL SCHEDULED TIME FOR MER DEPARTURE FOR MONTEVIDEO), UNLESS REPEAT UNLESS BASE COMMANDER GRYTUIKEN HAS BY THEN CONFIRMED THAT ARGENTINE SHIP AND PARTY HAVE LEFT LEITH. YOU HAVE DISCRETION, IN CONSULTATION WITH CAPTAIN BARKER, TO EABARK WHATEVER DETACHMENT OF MARINE GARRISON SEEMS NECESSARY IN THE CIRCUMSTANCES. 2. IMMEDIATE REQUIREMENT IS THEREFORE THAT WE SHOULD BE ABLE TO KNOW WHETHER CAPTAIN OF BAHIA BUEN SUCESO HAS OBEYED YOUR INSTRUCTIONS. PARA 3 OF YOUR T U R IS UNCLEAR ON WHETHER OBSERVATION IS BEING MAINTAINED AT LEITH. GRATEFUL IF YOU COULD ESTABLISH POSITION WITH BASE COMMANDER AND KEEP US FULLY AND IMMEDIATELY INFORMED OF DEVELOPMENTS. 3. WE NOTE YOUR ASSESSMENT THAT NEWS OF INCIDENT CAN BE EXPECTED TO LEAK SOON. DESTINATION OF HMS ENDURANCE, IF IT SAILS TO SOUTH GEORGIA, SHOULD HOWEVER AS FAR AS POSSIBLE BE KEPT CONFIDENTIAL. WE DO NOT WISH TO APPEAR TO BE ESCALATING INCIDENT UNNECESSARILY AT THIS STAGE AND UNTIL FACTS OF SITUATION AT LEITH CAN BE CLAR-IFIED. 4. IF NEWS DOES BREAK, WE WILL FOR PRESENT CONFIRM THAT REPORTS OF PLLEGAL ARGENTINE LANDING IN SOUTH GEORGIA HAVE BEEN RECEIVED AND THAT ARGENTINE VESSEL AND PARTY HAVE BEEN INSTRUCTED TO LEAVE. WE WILL ADD THAT WE HAVE SOUGHT URGENT CLARIFICATION FROM THE ARGENTINE GOVERNMENT AND HAVE MADE CLEAR TO THEM THAT WE REGARD THIS AS A SERIOUS INCIDENT. IF PRESSED ON HAS ENDURANCE, MOD WILL AT THIS STAGE SAY ONLY THAT HAS ENDURANCE IS IN FALKLAND WATERS AND WOULD BE AVAILABLE TO ASSIST IF NECESSARY, 5. FOR BUENOS AIRES. DUTY UNDER SECRETARY CALLED IN ARGENTINE CHARGE THIS EVENING AND SPOKE ON LINES OF PARA 3 OF MY YELNO 34 TO PORT STANLEY, MOLTENI TOOK NOTE AND UNDERTOOK TO INFORM HIS HEA WITHOUT DELAY.

YOUR TELNO 84. WE FULLY ACCEPT VIEW IN SECOND SENTENCE OF PARA 2. WE HOPE THEREFORE THAT ARGENTINE GOVERNMENT WILL BE APLE TO CONFIRM THEIR POSITION AS SOON AS POSSIBLE.

CARRINGTON

KNINN

CONFIDENTS NO 10" DOWNING STREET.

GRS 122 CONFIDENTIAL FROM PORT STANLEY 171157Z MAR 1982

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TO IMMEDIATE FCO TELEGRAM NUMBER 34 OF 17 MARCH

AND IMMEDIATE INFO BUENOS AIRES AND ROUTINE INFO UKMIS NEW YORK

YOUR TELNO 30: CONSIDERATION OF ARGENTINE PROPOSAL.

1. AT A JOINT COUNCILS, MEETING ON 16 MARCH, AT WHICH ALL COUNCILLORS EXCEPT CHEEK WERE PRESENT, THERE WAS UNANIMOUS SUPPORT FOR YOUR MESSAGE TO THE ARGENTINE FOREIGN MINISTER AND AGREEMENT THAT IT SHOULD GO AS WORDED IN YOUR TELNO 29 WITHOUT AMENDMENT. THEY REQUESTED ITS PUBLICATION WITH OR WITHOUT THE ARGENTINES, REPLY.

2. THEY REALISED AND ACCEPTED THAT, IF THE ARGENTINES PROVIDE A SATISFACTORY REPLY, NEGOTIATIONS WILL PROCEED WITHIN THE GENERAL FRAMEWORK DISCUSSED IN NEW YORK AND ON THE BASIS OF THE TWO ESSENTIAL POINTS MADE IN YOUR MESSAGE. THEY WISHED ME TO EMPHASISE THAT THERE CAN BE NO NEGOTIATIONS ON THE (NEXT WORD UNDERLINED) TRANSFER OF SOVEREIGNTY. THEIR AIM IN ANY DISCUSSIONS ON SOVEREIGNTY WILL BE TO CONVINCE ARGENTINES THAT BRITAIN HAS THE STRONGER CLAIM TO THE ISLANDS AND THAT ISLANDERS ARE DETERMINED TO STAY BRITISH.

3. THEY ASKED ME TO EXPRESS THEIR GRATITUDE FOR YOUR SUPPORT AND

FOR THE CLEAR AND STRONG WORDING OF YOUR MESSAGE.

HUNT

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Prine Minutes 1 (2)
Argentina A. J. C. 12.

MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-9300 7022 218 2111/3

12th March 1982

Dear John,

MO 5/21

FALKLANDS ISLANDS

The Prime Minister indicated to Mr Nott on Monday evening that she would like to know how quickly RN ships could be deployed to the Falkland Islands. Separately you have written to John Holmes suggesting that the paper which Lord Carrington will put to OD in the near future should address the question of contingency planning. This is in hand and my letter deals only with the limited question of ship deployments.

As to frigates the West Indies guardship, HMS LONDONERRY, is up to 3 weeks sailing time from the Falkland islands. She is, however, essentially a trials ship and carries limited close range armaments. Moreover, she has no dedicated tanker support, so that if ports on the South American coast were denied to her she could not reach the Falklands. This consideration would also apply to the frigate ANDROMEDA currently undergoing trials in the Bahamas.

There are, as the Prime Minister observed, RN ships participating in the NATO Exercise SAFE PASS 82, which continues until 18th March in the Gulf of Mexico and off the Eastern Seaboard of the United States. They are the frigate HMS DANAE (part of STANAVFORLANT) and the nuclear-powered submarine HMS COURAGEOUS. Deployment of HMS DANAE to the Falklands would run into the same problems as that of HMS LONDONDERRY; although a tanker is in attendance it is servicing STANAVFORLANT as a whole and is in any case not a British vessel.

In short, if a frigate were to be deployed to the Falklands, RFA support would also be necessary. Passage time whether from the Caribbean or the UK would be in the order of 20 days. Maintenance of one frigate on station on a semi-permanent, deterrent basis would, in practice, require the deployment of two, in order to allow for maintenance and serviceability.

To complete the picture the Prime Minister will be aware that the Ice Patrol vessel HMS ENDURANCE is at present operating in the region. She is currently off Adelaide Island, within 3 days sailing

A J Coles Esq

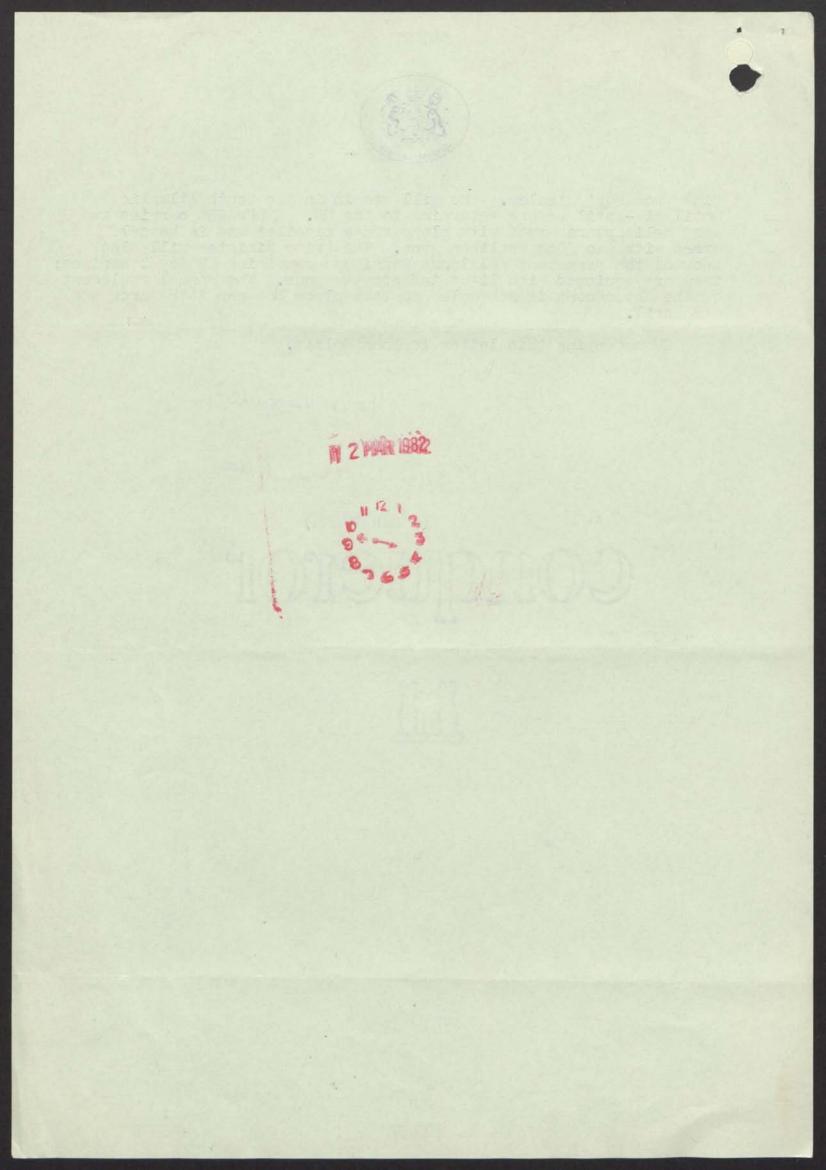


time from Port Stanley. She will remain in the South Atlantic until mid-April before returning to the UK. ENDURANCE carries two Wasp helicopters armed with close range missiles and is herself armed with two 20mm Oerlikon guns. The Prime Minister will also know of the permanent Falklands Garrison comprising 42 Royal Marines; they are equipped with light infantry weapons. The annual roulement of the detachment is scheduled to take place between 24th March and 5th April.

I am copying this letter to John Holmes.

Your siarly Mich Gran

(N H R EVANS)



GRS 420 CONFIDENTIAL
CONFIDENTIAL
FM BRASILIA 11:1830Z MARCH 82
TO PRIORITY FCO

REPEATED TO BUENOS AIRES AND PORT STANLEY

TELEGRAM NUMBER 042 OF 11 MARCH

FOR FEARN SAMD FROM FLYNN

FALKLANDS

1. IN THE ABSENCE OF THE AMBASSADOR ON TOUR I CALLED ON THE HEAD OF THE AMERICAS DEPARTMENT ON 10 MARCH TO DISCUSS THE VISIT LAST WEEK OF THE ARGENTINE FOREIGN MINISTER. RICUPERO SAID THAT THE ARGENTINES HAD NOT INCLUDED THE FALKLANDS IN THE FORMAL AGENDA BUT THAT IT HAD COME UP IN PRIVATE DISCUSSION BETWEEN COSTA MENDES AND GUERREIRO.

2. RICUPERO STATED THAT COSTA MENDES HAD NOT GONE INTO DETAIL BUT HAD GIVEN THE IMPRESSION THAT ARGENTINE POLICY WAS TO INCREASE DIPLOMATIC PRESSURE ON THE UK AT THE UNITED NATIONS AND ELSEWHERE. COSTA MENDES AHAD GIVEN NO INDICATION THAT THE ARGENTINES WERE CONTEMPLATING AT THIS STAGE ANYTHING BEYOND THIS ALTHOUGH RICUPERO COMMENTED THAT THE ARGENTINES WOULD NOT NECESSARILY HAVE TOLD THEM SO IF THEY WERE.

- 3. COSTA MENDES HAD TOLD GUERREIRO THAT IN CONJUNCTION WITH THE DIPLOMATIC PRESSURE THE ARGENTINES PROPOSED TO OFFER INDUCEMENTS TO THE ISLANDERS IN THE FORM OF EQUIVALENT PLOTS OF LAND ON THE MAINLAND OR, FAILING THAT, FINANCIAL SUPPORT FOR THOSE WHO WISHED TO DO SO TO EMIGRATE TO, EG, NEW ZEALAND.
- 4. RICUPERO CITED THE RECENT SURPRISE LANDING OF AN ARGENTINE AIR FORCE HERCULES AT STANLEY AND SURMISED THAT DESPITE WHAT COSTA MENDS HAD TOLD HIS OWN MINISTER THIS MIGHT INDICATE THE SORT OF ADDITIONAL PRESSURE WHICH THE ARGENTINES MIGHT FEEL TEMPTED TO USE.
- 5. I THANKED RICUPERO FOR THIS HELPFUL BRIEFING AND SAID THAT WE HAD BEEN DISHEARTENED BY THE ARGENTINES GOING BACK ON THE NEW YORK UNDERSTANDING. WE HAD THOUGHT THE NEW YORK TALKS HAD BROKEN NEW GROUND AND HAD BEEN DISTRESSED BY THE SUBSEQUENT ARGENTINE CHANGE OF ATTITUDE BUT BRITISH MINISTERS WOULD NOT NEGOTIATE UNDER DURESS. RICUPERO REFERRED TO THE HANSARD EXTRACT ON THE PARLIAMENTARY DEBATE OF 3 MARCH AND COMMENTED THAT MR LUCE HAD HANDLED THE DEBATE VERY WELL. I SAID THAT IN THIS NEW AND DELICATE SITUATION WE WOULD FIND IT USEFUL TO KEEP IN CLOSE TOUCH WITH THE ITAMARATY ON THE SUBJECT. RICUPERO AGREED.

COMMENT

6. FROM THE TONE OF RICUPERO'S CONVERSATION, IT SEEMS LIKELY THAT
THE BRAZILIAN FOREIGN MINISTER DID NOT GO MUCH BEYOND LISTENING TO
HIS ARGENTINE COLLEAGUE'S EXPOSITION. THE BRAZILIANS ARE WELL AWARE
OF THE DANGERS OF ARGENTINE ADVENTURISM IN THIS REGARD RICUPERO
MENTIONED THE BEAGLE CHANNEL AND ARGENTINE DIFFICULTIES WITH
PARAGUAY OVER THE YACYRETA DAM. HE WAS EMPHATIC, HOWEVER, IN

STATING

STATING THAT THE BRAZILIANS FORESAW NO POINT OF FRICTION BETWEEN THEMSELVES WITH ARGENTINA. RICUPERO HIMSELF SHOWED SOME SYMPATHY FOR OUR PREDICAMENT. IN GENERAL, HOWEVER, THE BRAZILIANS WILL CONTINUE THEIR LONG-ESTABLISHED POLICY OF PASSIVE SUPPORT FOR THE ARGENTINE CLAIM WHILE HOPING THAT THE ARGENTINES WILL BE SENSIBLE.

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ADDITIONAL DISTN: FALKLAND [SLANDS

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

8 March 1982

Falkland Islands

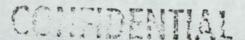
On her copy of Buenos Aires telegram no. 60 of 3 March the Prime Minister minuted: "we must make contingency plans".

I understand that it may be the intention of Lord Carrington to bring a further paper on the Falkland Islands to OD in the fairly near future. You may think that this could helpfully contain an account of our contingency planning.

I am sending a copy of this letter to David Omand (Ministry of Defence) and David Wright (Cabinet Office).

A.J. COLES

John Holmes, Esq., Foreign and Commonwealth Office.



255

P.S. NO 10. DOWNING STREET. CONFIDENTIAL OO PORT STANLEY GRS 335 CONFIDENTIAL FM FCO 081830Z MAR 82 TO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR) TELEGRAM NUMBER 30 OF 8 MARCH INFO IMMEDIATE BUENOS AIRES, INFO SAVING WASHINGTON, UKMIS NEW YORK. MY TELNO 27: CONSIDERATION OF ARGENTINE PROPOSAL 1. WE HAVE BEEN CONSIDERING HOW WE SHOULD NEXT PROCEED IN ORDER TO PLAY OUR HAND TO BEST TACTICAL ADVANTAGE. WE WANT TO AVOID THE CONSEQUENCES OF A BREAKDOWN. BUT IT WILL CLEARLY NOT BE POSSIBLE TO AGREE TO NEGOTIATIONS AGAINST THE PRESENT BACKGROUND OF THREATENING NOISES FROM ARGENTINA. IF NEGOTIATIONS ARE TO CONTINUE AND IF WE ARE TO HAVE ANY PROSPECT OF CARRYING WITH US PUBLIC OPINION BOTH HERE AND IN THE ISLANDS, WE SHALL NEED TO ESTABLISH ACCETABLE GROUND RULES AND TO MAKE THESE PUBLIC. 2. I THEREFORE PROPOSE TO SEND A MESSAGE TO THE ARGENTINE FOREIGN MINISTER ON THE LINES OF THE DRAFT IN MIFT. BEFORE I DO SO, IT WILL BE HELPFUL TO HAVE COUNCILLORS' VIEWS AND NECESSARY TO HAVE THEIR CONFIRMATION THAT, IN THE EVENT OF THE ARGENTINES PROVIDING A SATISFACTORY REPLY, NEGOTIATIONS SHOULD PROCEED . WITHIN THE GENERAL FRAMEWORK DISCUSSED IN NEW YORK. WE APPRECIATE THAT COUNCILLORS MAY NOW HAVE DISPERSED BUT WE SHOULD BE GRATEFUL FOR THEIR REACTION AS SOON AS POSSIBLE. 3. WE HOPE YOU CAN CARRY THE COUNCILLORS WITH YOU ON THIS AS WE HAVE NO WISH TO BREAK OFF THE NEGOTIATING PROCESS. IF THE COUNCILLORS FAVOUR THE IDEA OF SENDING A CORRECTIVE MESSAGE OF THIS KIND BUT FEEL THAT THE WORDING IS NOT STRONG ENOUGH TO MEET THEIR NEEDS, YOU SHOULD TAKE NOTE OF THIS AND REPORT BACK. CLEARLY WE CANNOT INVITE THE COUNCILLORS TO DRAFT MY MESSAGES TO THE ARGENTINE FOREIGN MINISTER AND, IF THE WORDING IS TO STRONG, CONFIDENTIAL

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THERE WILL BE NO PROSPECT OF ACCEPTANCE BY THE ARGENTINES. WE ARE ALSO CONCERNED TO BE ABLE TO DEMONSTRATE TO INTERNATIONAL OPINION THAT, IF THE TALKS DO BREAK DOWN, IT WAS NOT HMG AND THE ISLANDERS WHO WERE RESPONSIBLE. BUT WE WOULD CERTAINLY NOT WISH TO APPEAR TO BE REJECTING WITHOUT VERY CAREFUL THOUGHT ANY DRAFTING POINTS THE COUNCILLORS MIGHT WISH TO PUT TO YOU.

CARRINGTON

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ADDITIONAL DISTN FALKLAND ISLANDS

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CONFIDENTIAL

FM F C O 081830Z MAR 82

TO IMMEDIATE PORT STANLEY (PERSONÁL FOR GOVERNOR)

TELEGRAM NUMBER 29 OF 8 MARCH

INFO IMMEDIATE BUENOS AIRES

INFO ROUTINE UKMIS NEW YORK

INFO SAVING WASHINGTON

MIPT: DRAFT MESSAGE



1. FOLLOWING IS MY PROPOSED DRAFT MESSAGE TO THE ARGENTINE FOREIGN MINISTER.

BEGINS. I WAS PLEASED TO HEAR FROM RICHARD LUCE ABOUT THE PROGRESS WHICH THE ARGENTINE AND BRITISH DELEGATIONS (WITH THE ASSISTANCE OF FALKLAND ISLANDS COUNCILLORS) MADE IN NEW YORK ON 26 AND 27 FEBRUARY TOWARDS SETTING UP NEW PROCEDURES FOR CARRYING FORWARD AND GIVING FRESH IMPETUS TO NEGOTIATIONS ABOUT THE FUTURE OF THE ISLANDS. THIS REFLECTED OUR DETERMINATION TO ACHIEVE A PEACEFUL SOLUTION TO THIS DIFFICULT ISSUE, WHICH WOULD BE ACCEPTABLE TO YOUR GOVERNMENT, TO THE BRITISH GOVERNMENT AND TO THE PEOPLE OF THE FALKLAND ISLANDS. YOU MUST ALSO KNOW OF OUR SUBSEQUENT DISAPPOINTMENT (WHICH RICHARD LUCE HAS MADE CLEAR TO SR ROS) AT THE STATEMENTS WHICH HAVE BEEN MADE, AND THE PRESS REPORTS WHICH HAVE BEEN APPEARING, IN BUENOS AIRES SINCE THE CONCLUSION OF THOSE TALKS.

I THEREFORE THINK IT WOULD BE HELPFUL, IF WE ARE TO BE ABLE TO PROCEED FURTHER ALONG THE LINES DISCUSSED IN NEW YORK THAT WE SHOULD CONFIRM OUR RESPECTIVE GOVERNMENTS' AGREEMENT ON TWO ESSENTIAL POINTS. FIRSTLY, IT IS UNDERSTOOD THAT THE WORK OF THE PROPOSED NEGOTIATING COMMISSION WILL ENCOMPASS ALL ASPECTS OF AND POSSIBLE APPROACHES TO A SOLUTION OF THE DISPUTE, WITHOUT PREJUDICE TO EITHER SIDE'S POSITION ON SOVEREIGNTY. THESE TALKS MUST BE GENUINE NEGOTIATIONS AND CANNOT BE BASED ON ANY PRE-DETERMINED ASSUMPTIONS ON WHAT THE OUTCOME MIGHT BE.

SECONDLY, THESE NEGOTIATIONS CANNOT BE PURSUED AGAINST A BACKGROUND OF THREATS FROM EITHER SIDE OF RETALIATORY ACTION IF

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THEY BREAK DOWN. WE WOULD WELCOME YOUR ASSURANCE THAT THE ARGENTINE GOVERNMENT INTENDS TO FURTHER THE NEGOTIATIONS ON THIS BASIS.

IN THE SPIRIT OF THE RECENT MEETING IN NEW YORK, AND SO THAT THERE MAY BE NO MISUNDERSTANDINGS, I WOULD INTEND, ONCE YOU HAVE REPLIED, TO PUBLISH THIS MESSAGE AND, WITH YOUR PERMISSION, YOUR REPLY. ENDS.

CARRINGTON

STANDARD SAMD SED

DEFENCE DEPT

UND ADDITIONAL DISTN: FALKLAN) ISLAN)S.

GRS 400 CONFIDENTIAL CONFIDENTIAL DESKBY D80930Z TO THEEDIATE FCO TELEGRAM NUMBER 66 OF 05 MARCH 1982 INFO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR) INFO PRIORITY WASHINGTON



MY TELNO 63: FALKLANDS DISPUTE

INFO SAVING UKMIS NEW YORK

1. IN MY INTERVIEW WITH THE FOREIGN MINISTER THIS EVENING 1, AT HIS INVITATION, REHEARSED AGAIN THE REASONS WHY THE RECENT FRESS OUTBURSTS WERE COUNTERPRODUCTIVE AND COULD LEAD TO DELAY IN OUR RESPONSE. COSTA MENDEZ FELT IT NECESSARY TO REPEAT FORMALLY AND AT SOME LENGTH THE EXPLANATIONS OF ARGENTINE DISSATISFACTION WITH PROGRESS THAT WE HAD HEARD FROM ROS IN NEW YORK (TO WHICH I REPLIED FIRMLY ON SIMILARLY WELL WORN LINES) BUT ENDED BY DENYING THAT THE ARGENTINE GOVERNMENT WISHED IN ANY WAY TO THREATEN AND BY ADMITTING WITH REGRET THAT THEY COULD NOT ALWAYS PREVENT UNHELPFUL PRESS TREATMENT.

- 2. HE THEN ASKED WHAT COULD BE DONE NOW AND I SUGGESTED ARGENTINE GOVERNMENT STATEMENTS SPECIFICALLY DISTANCING THEMSELVES FROM PRESS REPORTS THAT THREATS WERE BEING HELD IN RESERVE. IN REPLY HE DREW ATTENTION TO STATEMENTS HE HAD MADE EARLIER TODAY IN BRAZIL, MAKING CLEAR THAT THE ARGENTINE GOVERNMENT WAS NOT IMPOSING DEADLINES BUT SETTING OUT A PROPOSED PROGRAMME WHICH INCLUDED ONLY RECOURSES CONTEMPLATED IN THE UN CHARTER.
- 3. WHEN I SUGGESTED THAT SOMETHING MORE SPECIFIC WOULD BE MORE EFFECTIVE HE ENTERED INTO A LONG DISCOURSE ON THE NEED FOR MORE SERIOUS AND CONTINUOUS DISCUSSIONS FOR WHICH, AS LATINS, THE ARGENTINES SAW THE DISCIPLINE OF A MONTHLY CALENDAR AS NECESSARY. I EXPLAINED THAT OUR ANGLO-SAXON RELUCTANCE TO ACCEPT UNREALISTIC RHYTHMS WAS PRACTICAL AND CONCEALED NO DESIRE TO PROCRASTINATE. I COULD ONLY SAY THAT WE STILL HOPED TO GIVE HIM AN ANSWER AND TO PROCEED THEREAFTER AS EXPEDITIOUSLY AS POSSIBLE. I ASKED HIM TO CONFIRM THAT WHAT HE STILL WANTED WAS APPROVAL OF THE NEW YORK DRAFT WORKING PAPER AND THIS HE DID. WE LEFT IT THAT I WOULD SEE HIM AS SOON AS I HAD ANYTHING TO COMMUNICATE.
- 4. THOUGH WE ARE PERSONAL FRIENDS AND COSTA MENDEZ SPEAKS EXCELLENT ENGLISH THE INTERVIEW WAS FORMAL AND MAINLY IN SPANISH. BOTH ROS AND FIGUEROA (THE MINISTER'S CHEF DE CABINET) WERE PRESENT BUT LARGELY SILENT. WE BOTH TALKED QUITE TOUGHLY, BUT ENDED IN FRIENDLY PERSONAL CHAT.

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MY TELNO 62 : FALKLANDS TALKS

INFO SAVING UKMIS NEW YORK

- 1. MY INTERVIEW WITH ENRIQUE ROS YESTERDAY EVENING TURNED INTO AN EXCHANGE OF COMMISERATIONS. HE WAS AT PAINS TO MAKE IT CLEAR TO US THAT HE HAD FIRST LEARNT OF CONTENTS OF MY TELEGRAMS 57 AUG. 58 FROM THE PRESS. THAT HE ACCEPTED THAT THE FALSE IMPRESSION OF MENACE IN THE MFA STATEMENT'S LAST PARAGRAPH WAS QUOTE UNHAPPY UNQUOTE AND THAT THE MINISTRY ACCEPTED NO (REPEAT NO) RESPONSIBILITY FOR THE REMARKS ASCRIBED TO IT UNATTRIBUTABLY (IE PARA 2 OF MY TELNO 57). HE FULLY UNDERSTOOD WHAT MR LUCE HAD FELT OBLIGED TO SAY IN THE HOUSE AND WAS NOT INCLINED TO COMPLAIN IF COUNCILLORS SHOULD LET SLIP DETAILS OF THE WORKING PAPER OR EVEN OF THE BOUT DE PAPIER PROPOSALS (THOUGH HERE HE MADE CLEAR THAT HE HOPED A DISTINCTION WOULD BE DRAWN, AS IN THE BOUT DE PAPIER, BETWEEN WHAT WAS PROPOSAL AND THE EARLIER PART WHICH WAS SIMPLY A RESTATE-MENT FOR THE RECORD).
- 2. I, WHILE COMMISERATING WITH HIS DIFFICULTIES, DROVE HOME THE POINT THAT THE PRICE OF THESE MISHAPS WAS LIKELY TO BE EVEN LESS CAPACITY FOR SPEEDY RESPONSE BY OUR SIDE. COUNCILLORS MIGHT WELL FIND PAUSE FOR EMOTIONS TO COOL BETTER THAN THE RISK OF A REJECTION IF DECISIONS WERE TAKEN NOW (I HAD STANLEY TELEGRAM NO 29 IN MIND). IF MR LUCE COULD HAVE PERHAPS BEEN IN A POSITION TO CLEAR WHAT WAS AGREED IN NEW YORK WITH HIS COLLEAGUES IN THE FCO IT WAS NOW MORE LIKELY THAT OTHER CABINET MEMBERS WOULD EXPECT TO BE CONSULTED AND THAT TOOK TIME, ETC. THERE WAS NO WAY IN WHICH NEGOTIATIONS WITH A PISTOL AT THE HEAD COULD BE AUTHORISED AND SOMEHOW THE PISTOL WOULD HAVE TO BE REMOVED. I SUGGESTED SOME DISCLAMATORY AND EMOLLIEUT STATEMENT BY COSTA MENDEZ OR THE PRESIDENT WOULD BE THE BEST WAY OF LAYING THE SPECTRES RAISED.
- WE NEED EVERY WEAPON TO HAND IN RESISTING ARGENTINE PRESSURES FOR UNDUE HASTE. I HOPE YOU WILL AGREE THAT THE MFA'S OBVIOUS EMBARRASSMENT OVER THE RECENT OUTBURSTS SHOULD BE USED IN THIS WAY AND THAT I SHOULD KEEP UP THE PRESSURE WITH COSTA MENDEZ WHOM LEXPECT TO SEE THIS EVENING OR TOMORROW MORNING. CONFIDENTIAL

4. AS AGREED WITH HME WASHINGTON BY TELEPHONE, I SHALL ALSO ACT TODAY WITH US AMBASSADOR HERE ON YOUR TELNO 415 TO WASHINGTON.

FCO PLEASE PASS SAVING TO UKMI, S NEW YORK.

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TO IMMEDIATE BUENOS AIRES

TELEGRAM NUMBER 55 OF 5 MARCH

INFO PRIORITY PORT STANLEY (PERSONAL FOR GOVERNOR)



YOUR TELNO 62: FALKLANDS TALKS

- 1. YOU WILL NOW HAVE SEEN OUR TELNO 27 TO PORT STANLEY. WE RECOGNISE DIFFICULTY OF COUNCILLORS' TASK, BUT HOPE THEY WILL BE ABLE TO HOLD THE LINE ON CONFIDENTIALITY SINCE THIS IS TO OUR TACTICAL ADVANTAGE.
- 2. WE HAVE NO NEW INSTRUCTIONS FOR YOUR MEETING WITH COSTA MENDEZ. YOU SHOULD REINFORCE WITH HIM THE REAL AGGRIEVEMENT FELT HERE AND IN THE ISLANDS AND THE EFFECT ON PUBLIC OPINION OF HIS GOVERNMENT'S ACTIONS FOLLOWING THE NEW YORK TALKS: AND THE POLITICAL IMPOSSIBILITY FOR US OF NEGOTIATING AGAINST A BACKGROUND OF THREATS. YOU SHOULD ALSO SAY THAT YOU ASSUME ROS WILL BE REPLYING TO MR LUCE'S MESSAGE SOON: AND THAT WE SHALL THEN NEED TO CONSIDER THE POSITION.

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TO IMMEDIATE FCO

TELEGRAM NUMBER 6\$\phi\$ OF \$\phi 3 MARCH 1982

AND TO IMMEDIATE PORT STANLEY

MY TELNO 57 : FALKLANDS TALKS : ARGENTINE PRESS COMMENT

- THERE IS FURTHER COMMENT IN TODAY'S PRESS. LA PRENSA SEES
 THE ARGENTINE STATEMENT (MY TELNO 58) AS EVIDENCE OF NEW ENERGY
 AND DETERMINATION IN THE MFA AND SEES QUOTE CERTAIN CONTRADICTIONS
 UNQUOTE BETWEEN THIS STATEMENT AND THE JOINT STATEMENT. IT
 SPECULATES, AFTER CONVERSATIONS WITH UNSPECIFIED MFA OFFICIALS,
 THAT IF PRESENT TACTICS ARE UNPRODUCTIVE, A FIRST ARGENTINE STEP
 MIGHT BE TO CUT OFF SERVICES FOR THE FALKLANDS (COMMUNICATIONS,
 FUEL, TEACHERS ETC), FOLLOWED BY A PROGRESSIVE COOLING OF BILATERAL
 RELATIONS BETWEEN ARGENTINA AND BRITAIN.
- IN THE SAME NEWSPAPER, COLUMNIST IGLESIAS ROUCO CLAIMS TO DETECT ARGENTINE DISSATISFACTION WITH THE NEW YORK TALKS AND SERIOUS THOUGHT OF BREAKING OFF RELATIONS WITH BRITAIN IN THE NEAR FUTURE. HE QUOTES HIS SOURCES AS SAYING THAT BRITAIN WILL HAVE NO MORE THAN THREE OR FOUR MONTHS TO ACKNOWLEDGE ARGENTINE SOVEREI-GNTY AND AGREE ON AN EARLY DATE FOR THE QUOTE RETURN UNQUOTE OF THE ISLANDS TO ARGENTINA. WHILE AS A FINAL QUOTE GOODWILL GESTURE UNQUOTE MR LUCE WAS GRANTED A FEW DAYS TO RESPOND TO THE ARGENTINE PROPOSALS, THERE WOULD BE NO FLEXIBILITY IN ARGENTINA'S MINIMUM DEMAND FOR RESTITUTION OF SOVEREIGNTY BEFORE THE 150TH ANNIVERSARY OF THE COLONY AND FOR THE HOLDING OF MONTHLY MEETINGS TO DISCUSS THE HANDING OVER OF SOVEREIGNTY AND GUARANTEES FOR THE ISLANDERS. THEREAFTER, ARGENTINA WOULD RESORT TO OTHER MEANS IF THERE WERE NO PROGRESS. HE GOES ON TO SPECULATE ABOUT THE ADVANTAGES OF A DIRECT SEIZURE OF THE ISLANDS, WHICH HE BELIEVES WOULD BE QUOTE UNDERSTOOD UNQUOTE BY THE AMERICANS., TO WHOM JOINT NAVAL FACILI-TIES IN THE ISLANDS COULD BE OFFERED. HE SUGGESTS THAT SUCH DIRECT ACTION MIGHT BE TAKEN BETWEEN THE MIDDLE AND END OF THIS YEAR.

13.

- 3. LA NACION'S LEADING EDITORIAL APPROVINGLY REHEARSES THE DETAILS OF THE ARGENTINE STATEMENT, WHICH IT SEES AS PUTTING THE JOINT STATEMENT INTO PROPER PERSPECTIVE, AND CALLS FOR A PROMPT AND POSITIVE BRITISH RESPONSE. A BA HERALD EDITORIAL SEES THE ARGENTINE STATEMENT AS CONTAINING A QUOTE VEILED THREAT UNQUOTE AND WARNS BRITAIN THAT THIS TIME ARGENTINA SEEMS TO QUOTE MEAN BUSINESS UNQUOTE. IT STRESSES THE IMPORTANCE OF GUARANTEES FOR THE ISLANDERS, AND COMMENTS THAT THE ARGENTINE POSITION WOULD BE STRONGER IF ITS DEDICATION TO DEMOCRACY WERE MORE PLAUSIBLE. BUT IT SEES NO ALTERNATIVE TO A BRITISH HANDOVER.
- 5. MOST PAPERS QUOTE UNDER-SECRETARY ROS, ON HIS ARRIVAL BACK FROM NEW YORK YESTERDAY, AS DECLINING TO COMMENT ON THE TALKS BECAUSE OF THEIR CONFIDENTIAL NATURE.

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TO IMMEDIATE FCO
TELEGRAM NUMBER 848 OF 3 MARCH
INFO BUENOS AIRES PORT STANLEY

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FALKLAND I SLANDS.

1. WHEN THE MINISTER SAW ENDERS TODAY ON BELIZE/GUATEMALA (MY TELEGRAM NO 847 (NOT TO ALL)) ENDERS REQUESTED THAT MR LUCE BE INFORMED THAT HE HAD RAISED THE FALKLANDS BOTH PRIVATELY WITH THE ARGENTINE FOREIGN MINISTER AND PUBLICLY DURING HIS RECENT VISIT TO BUENOS AIRES, STRESSING THE STRATEGIC AND HUMAN ASPECTS OF THE PROBLEM WHICH BOTH HAD TO BE RESOLVED FOR A SUCCESSFUL OUTCOME. THOUGH THE ARGENTINIANS HAD BEEN SOMEWHAT NON-COMMITTAL, THEY DID NOT GIVE ENDERS THE IMPRESSION THAT THEY WERE ABOUT TO DO ANYTHING DRASTIC

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TELEGRAM NUMBER 58 OF ¢2 MARCH 1982

AND TO IMMEDIATE PORT STANLEY

INFO ROUTINE UKMIS NEW YORK

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MIPT : FALKLANDS TALKS

1. FOLLOWING IS OUR TRANSLATION OF ARGENTINE STATEMENT:

AT THE MEETING HELD IN NEW YORK ON 26 AND 27 FEBRUARY?, THE REPRESENTATIVES OF ARGENTINA AND GREAT BRITAIN CONSIDERED AN ARGENTINE PROPOSAL TO ESTABLISH A SYSTEM OF MONTHLY MEETINGS WITH A PRE-ESTABLISHED AGENDA, PRE-ARRANGED MEETING PLACE, AND LED BY TOP-LEVEL OFFICIALS. THE AIM OF SUCH MEETINGS WILL BE GENUINELY TO SPEED UP TO THE MAXIMUM THE NEGOTIATIONS IN TRAIN TO ACHIEVE RECOGNITION OF ARGENTINE SOVEREIGNTY OVER THE MALVINAS, SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS, AND BY THIS MEANS TO ACHEIVE SUBSTANTIAL RESULTS WITHIN A TIME WHICH AT THIS ADVANCED STAGE OF THE DISCUSSIONS WILL NECESSARILY HAVE TO BE SHORT.

ARGENTINA HAS NEGOTIATED WITH GREAT BRITAIN OVER THE SOLUTION OF THE SOVEREIGNTY DISPUTE OVER THE ISLANDS WITH PATIENCE, LOYALTY AND GOOD FAITH FOR OVER 15 YEARS, WITHIN THE FRAMEWORK INDICATED BY THE RELEVANT UNITED NATIONS RESOLUTIONS. THE YEAR SYSTEM CONSTITUTES AN EFFECTIVE STEP FOR THE EARLY SOLUTION OF THE DISPUTE. HOWEVER, SHOULD THIS NOT OCCUR, ARGENTINA RESERVES TO TERMINATE THE WORKING OF THIS MECHANISM AND TO CHOOSE FREELY THE PROCEDURE WHICH BEST ACCORDS WITH HER INTERESTS.

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TELEGRAM NUMBER 57 OF 02 MARCH 1982
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FALKLANDS TALKS : ARGENTINE PRESS COMMENT

- 1. THE FALKLANDS TALKS ARE GIVEN FRONT-PAGE TREATMENT IN MOST OF TODAY'S NEWSPAPERS. THE TEXT OF THE JOINT COMMUNIQUE (UKMIS TELNO 187) IS WIDELY REPRODUCED, BUT IS OVERSHADOWED BY THE TEXT OF A SEPARATE ARGENTINE STATEMENT WHICH WAS ISSUED BY THE MFA YESTER-DAY EVENING (TEXT IN MIFT). THIS (ISSUED BEFORE UNDERSECRETARY ROS'S RETURN TO BA) REFERS SPECIFICALLY TO THE ARGENTINE PROPOSAL FOR MONTHLY MEETINGS WITHIN A QUOTE SHORT UNQUOTE TIME-PERIOD AND TO ARGENTINA'S RESERVATION OF THE RIGHT TO TERMINATE THIS PROCEDURE IN FAVOUR OF OTHERS IF IT DOES NOT APPEAR TO BE LEADING TO AN EARLY SETTLEMENT.
- IN A GLOSS ON THE STATEMENT, AN UNNAMED GOVERNMENT SOURCE, QUOTED BY LA NACION, RECALLED CAMILION'S ASSERTION THAT THE PRESENT STATUS OF THE FALKLANDS WAS QUOTE UNSUSTAINABLE UNQUOTE AND CLAIMED THAT THERE WERE SOME, ALBEIT SLIGHT, INDICATION THAT HMG HELD THE SAME VIEW. HE SAID THAT VARIOUS PLANS WERE ALREADY BEING PREPARED FOR FORTHCOMING MEETINGS. THESE INCLUDED ARGENTINE PROPOSALS FOR GUARANTEES FOR THE ISLANDERS' ECONOMIC, POLITICAL AND RELIGIOUS INTERESTS, INCLUDING A SYSTEM OF COMPENSATION OR PURCHASE OF THE PROPERTY OF ANY ISLANDERS WHO DECIDED TO LEAVE. HE STATED THAT THERE WERE ALSO PARALLEL PLANS ALREADY FORMULATED IN CASE THE ENVISAGED MEETINGS DID NOT PRODUCE SUFFICIENT PROGRESS TOWARDS A SOLUTION : AMONG THESE WERE RECOURSE TO THE UNITED NATIONS, AND VARIOUS MEASURES WHICH COULD AFFECT BILATERAL RELATIONS, SUCH AS THE BREAKING OFF OF ECONOMIC RELATIONS, POLITICAL RELATIONS, AND FINALLY A TOTAL RUPTURE OF RELATIONS. THE SAME SPOKESMAN ADDED THAT ALTHOUGH THERE HAD BEEN SOME TALK LOCALLY OF THE POSSIBILITY OF ARGENTINA USING FORCE TO RESOLVE THE DISPUTE, HE PREFERRED QUOTE AT THE MOMENT UNQUOTE TO DISCOUNT SUCH SUGGESTIONS.

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TO PRIORITY F C O

TELEGRAM NUMBER 671 OF 1 MARCH 1982

INFO BUENOS AIRES, PORT STANLEY (PERSONAL FOR GOVERNOR).

FALKLAND ISLANDS.

- 1. WHEN MR LUCE SAW ENDERS AT THE STATE DEPARTMENT ON 1 MARCH, HE BRIEFED HIM ON THE PRESENT SITUATION ON THE FALKLAND ISSUE FOLLOWING THE NEW YORK TALKS. THE ISSUE WAS BECOMING INCREASINGLY POLARISED. THE ARGENTINES WERE IMPATIENT AT WHAT THEY SAW AS A LACK OF PROGRESS AFTER SIXTEEN YEARS OF NEGOTIATIONS: AT THE SAME TIME ISLANDERS OPPOSITION TO ANY TRANSFER OF SOVEREIGNTY OR GREATER INVOLVEMENT WITH ARGENTINA HAD HARDENED. PUBLIC AND PARLIAMENTARY OPINION IN THE UK WAS HIGHLY SENSITIVE ON THE ISSUE. NO BRITISH GOVERNMENT COULD ACT ON THE DISPUTE EXCEPT IN ACCORDANCE WITH THE ISLANDER'S WISHES. THEREFORE, WHILE WE WANTED TO RESOLVE THE DISPUTE AND TO REMOVE THIS SOURCE OF TENSION WITH ARGENTINA, THE POLITICAL DIFFICULTIES FOR US WERE VERY REAL AND IT WAS NOT EASY TO SEE HOW PROGRESS COULD BE MADE.
- 2. IT WAS CLEAR THAT THE NEW ARGENTINE GOVERNMENT WERE COMMITTED TO PRESSING HARD FOR A SETTLEMENT ON THEIR TERMS. IF NEGOTIATIONS BROKE DOWN THERE COULD BE AN AWKWARD CONFRONTATION. THERE WAS TALK IN THE ARGENTINE PRESS OF MILITARY ACTION (ALTHOUGH WE DID NOT BELIEVE THAT THIS REFLECTED THE VIEWS OF THE ARGENTINE GOVERNMENT). THE ARGENTINES MIGHT ALSO DECIDE TO CUT OFF COMMUNICATIONS AND OTHER FACILITIES TO THE ISLAND. IT WOULD THEREFORE BE HELPFUL IF ENDERS DURING HIS FORTHCOMING VISIT TO BUENOS AIRES COULD ENCOURAGE THE ARGENTINES TO KEEP THINGS COOL ON THE FALKLAND DISPUTE.
- 3. ENDERS UNDERTOOK TO DO THIS AND EXPECTED THAT THE ARGENTINES WOULD WISH TO GIVE HIM THEIR VIEWS ON THE ISSUE. HIS ONLY SPECIFIC COMMENT WAS THAT THE ARGENTINES HAD RECENTLY GIVEN THE IMPRESSION OF GREATER OPTIMISM THAT THE UK WAS NOW MORE READY TO CONSIDER THE INTERESTS RATHER THAN SIMPLY THE WISHES OF THE ISLANDERS IN SEEKING A SOLUTION TO THE DISPUTE. MR LUCE MADE CLEAR THAT THERE WAS NO BASIS TO SUCH AN ASSUMPTION.

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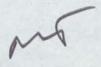
TO IMMEDIATE F C O

TELEGRAM NUMBER 187 OF 28 FEBRUARY 1982

AND TO BUENOS AIRES, PORT STANLEY.

INFO IMMEDIATE WASHINGTON,

INFO BRASILIA, MONTEVIDEO, SANT!AGO.



MIPT: FALKLAND ISLANDS: ANGLO-ARGENTINE TALKS

1. FOLLOWING IS TEXT OF JOINT COMMUNIQUE EMBARGOED UNTIL 1230Z ON 1 MARCH:

THE BRITISH AND ARGENTINE GOVERNMENTS HELD A MEETING AT MINISTERIAL LEVEL IN NEW YORK ON 26 AND 27 FEBRUARY 1982 TO DISCUSS THE FALKLAND ISLANDS QUESTION WITHIN THE NEGOTIATING FRAMEWORK REFERRED TO IN THE RELEVANT RESOLUTIONS OF THE UNITED NATIONS GENERAL ASSEMBLY.

THE BRITISH AND ARGENTINE DELEGATIONS WERE LED RESPECTIVELY
BY MR. RICHARD LUCE MP, MINISTER OF STATE AT THE FOREIGN AND
COMMONWEALTH OFFICE IN LONDON, AND AMBASSADOR ENRIQUE ROS, UNDERSECRETARY OF STATE AT THE MINISTRY OF FOREIGN AFFAIRS AND WORSHIP
IN BUENOS AIRES.

THE MEETING TOOK PLACE IN A CORDIAL AND POSITIVE SPIRIT. THE TWO SIDES REAFFIRMED THEIR RESOLVE TO FIND A SOLUTION TO THE SOVEREIGNTY DISPUTE AND CONSIDERED IN DETAIL AN ARGENTINE PROPOSAL FOR PROCEDURES TO MAKE BETTER PROGRESS IN THIS SENSE. THEY AGREED TO INFORM THEIR GOVERNMENTS ACCORDINGLY.

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FALKLAND ISLANDS: ANGLO-ARGENTINE TALKS

1. THE ANGLO-ARGENTINE TALKS ON THE FALKLANDS DISPUTE TOOK PLACE IN NEW YORK ON 26 AND 27 FEBRUARY. DISCUSSION CENTRED THROUGHOUT ON THE ARGENTINE PROPOSAL FOR THE ESTABLISHMENT OF A PERMANENT NEGOTIATING COMMISSION WITH THE TASK OF ACHIEVING ACCELERATED PROGRESS TOWARDS A SOLUTION TO THE DISPUTE. TEXT OF JOINT COMMUNIQUE IN MIFT FOR ISSUE BY NEWS DEPARTMENT AT 1230Z ON 1 MARCH (AND SIMULTANEOUSLY IN PORT STANLEY AND BUENOS AIRES).

- 2. ALTHOUGH THE TONE OF THE MEETING WAS CORDIAL AND THE ARGENTINE POSITION IN NO WAY REFLECTED THE MINATORY TONE OF RECENT ARGENTINE PRESS COMMENT, IT WAS APPARENT FROM THE OUTSET THAT THEIR NEGOTIATING BRIEF WAS RIGIDLY CIRCUMSCRIBED. THEY MADE NO ELABORATION OF THE PROPOSAL ON FUTURE PROCEDURES SET OUT IN THEIR RECENT BOUT DE PAPIER AND THEY CLEARLY HAD NO MANDATE TO BE FLEXIBE ON THE DETAILS (EG ON LEVEL OF PARTICIPATION, FREQUENCY OF MEETINGS AND THE TIME LIMIT OF ONE YEAR FOR A COMMISSION TO COMPLETE ITS TASK). THEY ALSO MADE CLEAR THEIR VIEW THAT THE SOLE PURPOSE OF A COMMISSION WAS TO RESOLVE THE DETAILS OF A TRANSFER OF SOVEREIGNTY TO ARGENTINA.
- 3. IN RESPONDING, MR LUCE EMPHASISED THAT WE HAVE NO DOUBTS ABOUT BRITISH SOVEREIGNTY, THAT FOR US THE WISHES OF THE ISLANDERS ARE PARAMOUNT AND THAT NO SOLUTION COULD EVER BE AGREED WHICH WAS NOT ACCEPTABLE TO THE ISLANDERS AND TO PARLIAMENT. NONETHELESS, WE WISHED TO MAKE EVERY EFFORT TO RESOLVE THE DISPUTE AND WERE THEREFORE READY TO LOOK POSITIVELY AT THE ARGENTINE PROPOSAL, ON THE CLEAR UNDERSTANDING THAT ITS WORK WOULD BE WITHOUT PREJUDICE TO OUR POSITION ON SOVEREIGNTY AND THAT ALL ASPECTS OF THE DISPUTE SHOULD BE INCLUDED FOR CONSIDERATION.

4. THE TWO SIDES AGREED AN INFORMAL WORKING PAPER SETTING OUT A MUTUAL UNDERSTANDING OF THE NATURE AND PURPOSE OF A NEGOTIATING COMMISSION. TEXT IN MY SECOND IFT. THE MAIN STICKING POINTS RELATED TO:

(attached at B)

- (A) THE DIFFICULTIES FOR THE ARGENTINES IN EXPLICITY ACCEPTING THAT NEGOTIATIONS SHOULD COVER ALL POSSIBLE APPROACHES TO A SOVEREIGNTY SOLUTION RATHER THAN A NARROW CONCENTRATION ON MODALITIES OF A TRANSFER OF SOVEREIGNTY TO THEM. THE WORDING OF PARA 3 OF THE WORKING PAPER WAS EVENTUALLY AGREED, THOUGH WITH OBVIOUS MISGIVINGS ON THE ARGENTINE SIDE:
- (B) SR ROS WAS CLEARLY UNDER FIRM INSTRUCTIONS FROM HIS GOVERNMENT TO SECURE AGREEMENT TO A STACCATO WORK RATE FOR A NEGOTIATING COMMISSION (IE ACCEPTANCE OF THE PRINCIPLE OF MONTHLY MEETINGS). MR LUCE MADE CLEAR THAT THIS WAS IMPRACTICABLE AND THAT WE WOULD NOT BE ABLE TO AGREE TO IT. THIS LED TO A LENGTHY AND STERILE EXCHANGE. IT WAS FINALLY AGREED THAT THIS POINT SHOULD BE EXCLUDED FROM THE WORKING PAPER BUT THAT MR LUCE SHOULD INFORM HIS COLLEAGUES OF THE ARGENTINE PREOCCUPATION WITH THE NEED TO GIVE A VISIBLE URGENCY TO A COMMISSION'S WORK AND THAT OUR VIEWS ON THIS POINT SHOULD BE GIVEN IN OUR EVENTUAL RESPONSE ON THE MAIN PROPOSAL.

THE ARGENTINES ACCEPTED WITHOUT DIFFICULTY THAT THE PROPOSAL WAS AD REFERENDUM TO BRITISH MINISTERS (AND TO ISLAND COUNCILLORS) BUT LAID EMPHASIS ON THEIR WISH TO RECEIVE AN EARLY DEFINITIVE RESPONSE. MR LUCE UNDERTOOK TO RECOMMEND THE PROPOSAL POSITIVELY TO HIS COLLEAGUES.

5. THE TWO ISLAND COUNCILLORS, BLAKE AND CHEEK, TOOK A CONSTRUCTIVE POSITION THROUGHOUT. THEY APPEARED FULLY TO APPRECIATE THE IMPORTANCE OF ENSURING A CONTINUATION OF A NEGOTIATING DIALOGUE (IN ORDER TO PREVENT THE DAMAGING CONSEQUENCES OF A BREAKDOWN) AND TO ACCEPT THAT CONSIDERATION OF SOVEREIGNTY WOULD BE AN INESCAPABLE COMPONENT OF A NEGOTIATING COMMISSION'S WORK. ALTHOUGH THEY DID NOT UNDERESTIMATE THE DIFFICULTIES OF PERSUADING ISLANDER OPINION TO SWALLOW THE PILL OF AN ACCELERATED DIALOGUE, THEY HAVE SAID THAT THEY WILL BE RECOMMENDING ACCEPTANCE TO THEIR FELLOW COUNCILLORS AT THEIR MEETING ON 3 MARCH.



1 Argentina

17 February, 1982

Falkland Islands

The Prime Minister has seen the minute of 15 February by the Foreign and Commonwealth Secretary on this subject. She has commented with regard to paragraph 3 that we must also make it clear to the Argentinians that the wishes of the Islanders are paramount.

I am copying this minute to the Private Secretaries to Members of OD, Julian West (Department of Energy), Jim Nursaw (Attorney-General's Office) and David Wright (Cabinet Office).

John Holmes, Esq Foreign and Commonwealth Office





We reduced the this.

A. J. C. 16

PM/82/11

PRIME MINISTER

Falkland Islands

- In my minute PM/81/58 of 2 December 1981 I outlined the position our delegation would take at the talks which were due to take place with the Argentines at Ministerial level in Geneva. Those talks were postponed at the Argentines' request, following the change of Argentine Government in December. They will now be held in New York on 26 and 27 February.
- The general line Richard Luce will follow remains as in my earlier minute. But there is one new element. Argentine Government have given us, as a prior notification of their position and objectives at New York, a substantial and toughly-worded document which asserts that the sole purpose of the negotiations is to cede sovereignty to Argentina, denies the relevance of the Islanders' wishes (as opposed to interests) and, without explicit threats, refers to the Islanders' dependence on services provided by the Argentines. The paper ends with a proposal that there should be agreement at New York to establishing a 'permanent negotiating commission' which would meet monthly in capitals and which should conclude its work within a year.
- In response, our Ambassador in Buenos Aires has been instructed to make clear to the Argentines that we remain in no doubt of our sovereignty over the Falkland Islands and their Dependencies; and that, while we wish to reach a peaceful solution acceptable to all the parties concerned including the Islanders, we can only continue negotiations on the clear understanding that they are conducted without prejudice to our position on sovereignty. Richard Luce will seek confirmation of this in New York. and wilillandes wither are paramount
- In principle, the idea of setting up working groups to



look at particular aspects of the dispute has considerable appeal for us since, as I said in my minute of 2 December, it is in our interest to keep a dialogue going in order to avoid the difficult and costly consequences of a breakdown. But we shall need to resist the sort of unrealistic timetable of work proposed by the Argentines. It will also be difficult to carry the Islanders with us, since they will be most reluctant to agree to any discussion of sovereignty with the Argentines: and the Argentines will accept nothing less.

- 5. We are therefore prepared for a difficult session in New York. We shall make it clear from the outset that any agreement reached on the future of our negotiations will be strictly ad referendum. At the same time, we have to recognise that the tougher attitude being shown by the new Argentine Government, together with the strong disinclination of the Islanders to envisage any change from the status quo, narrows the options for us. I expect that we shall need a further discussion on the Falklands in OD in March.
- 6. I am copying this minute to other members of OD, the Secretary of State for Energy, to the Attorney-General and to Sir Robert Armstrong.

(CARRINGTON)

Foreign and Commonwealth Office 15 February 1982

P.S. NO 10. DOWNING STREET.

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OO BUENOS AIRES GRS 369 CONFIDENTIAL



TO IMMEDIATE BUENOS AIRES
TELEGRAM NUMBER 8 OF 7 JANUARY 1982.
INFO PRIORITY PORT STANLEY
INFO ROUTINE UKMIS NEW YORK
SAVING UKMIS GENEVA
MY TELEGRAM NO 317 OF 1981: ANGLO-ARGENTINE TALKS ON FALKLAND
ISLANDS

- 1. WE CAN NOW OFFER THE ARGENTINES TALKS ON 22 AND 23 FEBRUARY AND (SUBJECT TO COMMENTS FROM UKMIS NEW YORK), AGREE THAT THESE SHOULD BE IN NEW YORK IN ACCORDANCE WITH THE ARGENTINE PREFERENCE.

 2. URE SPOKE ACCORDINGLY TO ORTIZ DE ROZAS ON 6 JANUARY, BUT
- 2. URE SPOKE ACCORDINGLY TO ORTIZ DE ROZAS ON 6 JANUARY, BUT POINTED OUT THAT THE DATES MUST REMAIN SUBJECT TO CHANGE IN THE LIGHT OF MR LUCE'S PARLIAMENTARY OBLIGATIONS, SINCE THE TIMING OF THE PASSAGE OF THE CANADIAN LEGISLATION THROUGH PARLIAMENT IS STILL UNCERTAIN.
- 3. YOU SHOULD NOW TAKE PARALLEL ACTION WITH THE ARGENTINE FOREIGN MINISTRY. IN DOING SO, YOU SHOULD AGAIN UNDERLINE THE POSSIBLE PROBLEMS OVER THE CANADIAN CONSTITUTION BILL. YOU SHOULD ALSO POINT OUT THAT WHILE WE HAVE OFFERED THE EARLIEST DATES POSSIBLE FOR MR LUCE, IT IS CLEAR THAT TO HOLD THE TALKS IN MIDWEEK WILL PRESENT PROBLEMS FOR ISLAND COUNCILLORS, PARTICULARLY DURING THE SUMMER SEASON. WE ARE THEREFORE PROPOSING THESE DATES IN THE HOPE THAT THE ARGENTINES WILL BE ABLE TO ARRANGE LADE FLIGHT SCHEDULES TO ALLOW TRAVEL FROM AND TO THE ISLANDS ON SATURDAY 20 AND SATURDAY 27 FEBRUARY, SO THAT COUNCILLORS NEED NOT BE AWAY FOR MORE THAN ONE WEEK.
- 4. ASSUMING THESE DATES CAN BE AGREED, MR LUCE WOULD PROPOSE TO ARRIVE IN NEW YORK AT LUNCHTIME ON 21 FEBRUARY, THUS ALLOWING TIME FOR HIM TO MEET THE ARGENTINE DELEGATION AND THE ISLANDERS BEFORE THE BEGINNING OF THE FORMAL TALKS.

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- 5. WE HOPE THAT YOU WILL BE ABLE TO ATTEND THE TALKS. YOU SHOULD KNOW THAT, WHILE THE ADVANTAGES FOR COUNCILLORS OF HOLDING TALKS ON A FRIDAY/SATURDAY ARE APPRECIATED, MR LUCE HAS FIRM CONSTITUENCY COMMITMENTS OVER THE PERIOD WHICH RULES THIS OUT.
- 6. FOR PORT STANLEY. PLEASE INFORM COUNCILLORS OF THESE PROPOSALS, EXPLAINING THAT WE ARE FULLY AWARE OF THE INCONVENIENCE FOR THEM OF HOLDING TALKS ON A TUESDAY AND A WEDNESDAY AND HAVE ASKED THE ARGENTINES TO LAY ON SPECIAL FLIGHTS.
- 7. FOR UKMIS NEW YORK. GRATEFUL TO KNOW WHETHER YOU WOULD SEE ANY PROBLEM ABOUT ARRANGING TALKS IN NEW YORK ON THE DATES PROPOSED.

CARRINGTON

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PS/LPS

PS/MR LUCE PS/PUS MR DAY MR URE FALKLAND SLAND

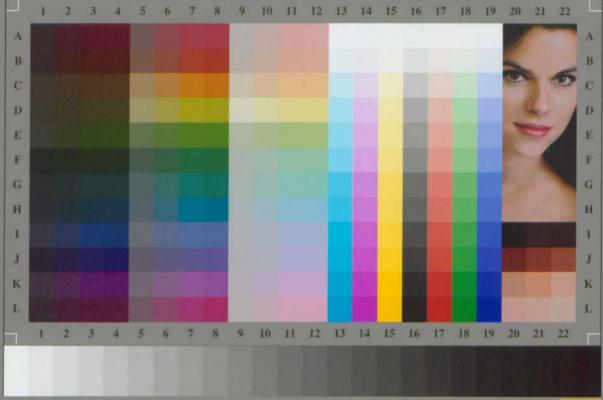
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