The guerrillas of the Pales Liberation Organization faced extinction or humiliating defeat as their left-wing allies deserted them and the Israelis completed their encirclement of Beirut (Robert Fisk writes).

The last crucial dawn tank attack was led by General Ariel Sharon, Israel's De-fence Minister.

Dr George Habash, the leader of the Popular Front for the Liberation of Palestine, has however, promised to turn west Beirut into a "new Stalingrad" if the Israelis attacked.

Meanwhile, President Sarkis is desperately trying to form a Committee of National Salvation to unite all the Lebanese political factions. If he succeeds, he will have achieved with Israeli pressure in 12 hours what the Syrians failed to achieve in six years.

Lebanon has finally released detailed figures for the dead and wounded— 9,583 Lebanese and Pales-tinians were killed in the Israeli invasion and 16,608 wounded. Most of the casualties were victims of the Israeli air attacks. page 6

#### 'No more cash' **BR** insists

There was no money left in the British Rail kitty, which had emptied through this year's strikes by the Associ-ated Society of Locomotive Engineers and Firemen, Sir Peter Parker said Page 2

#### Talbot losses stay high

Talbot UK lost £91m last year after the record £102m lost in 1980. Meanwhile, Lord Hesketh yesterday called in the receiver to his motorcycle group, set up three years ago.

Page 15

#### Police recruit more blacks

Police recruitment from among the black community has increased since last year's riots and the number applying to the Metropolitan Police was double last year's figure, Mr Timothy Raison said Back page

#### Brazil win their first match

Brazil, the World Cup favourthe finals when they beat the Soviet Union 2-1 in a Group Six game in Seville. Earlier Italy and Poland drew O Group One game in Vigo. Page 19

#### Seeds named

John McEnroe and Martina Navratilova head the singles seedings for the Wimbledon championships, which begin next Monday. The promising Mats Wilander of Sweden is seeded seventh for the men's championship Page 18

#### India recover

India made 369 (Vengsarkar 157, Kapil Dev 89) in their second innings in the first Test. England, needing 65 to win, were 23 for three at the close Page 18

#### Dollar surges

The United States intervened on the world's foreign ex-change markets yesterday to curb a surge by the dollar against all leading currencies Page 15

#### Mubarak visit

President Mubarak of Egypt was among the foreign heads of state who arrived in Riyadh to pay their respects to the new King of Saudi

Leader page, 11
Letters: On the Middle East, from Mr D. H. A. Leiwy, and others; students, from Dom Philip Jebb and Mr G. Kilroy.
Leading articles: Northern Ireland Bill; Kensington Town Hall.

Have Mrs Thatcher and her under-estimated advisers under-estimated General Galtieri's powers of survival?; How Lebanon may yet humiliate Israel Page 10 Fashion: the rise and fall of the hemline, by Suzy Menkes
Page 9

Obituary, page 12 Mr Peter Forster, Miss Pamela Whitlock

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and Mr Francis Pym becomes Foreign Secretary.

Thatcher says white flag flies over Port Stanley

## Ceasefire agreed in the Falklands

• The white flag of surrender was flying over Port Stanley last night, Mrs Margaret Thatcher told the Com-mons. MPs of all parties cheered the Prime Minister's announcement that a ceasefire between British and Argentine forces had been agreed and that the junta's governor on the islands was having talks with the British deputy commander mander.

• Documents on the surrender are due to be signed today provided final details can be wor-ked out to put an end to the fighting, two and a half months after the

Argentine invasion.

Mr John Nott, the Defence Secretary, acknowledged as he returned to his ministry

#### By Julian Haviland and Philip Webster

The Prime Minister told an elated and packed House of Commons last night that large numbers of Argentine soldiers had thrown down their weapons and were reported to be flying white flags over Port Stanley.

flags over Port Stanley.

A deafening cheer from the government benches greeted her ststement that the British and Argentine commanders in the field were holding talks about the surrender of the Argentine forces on the East and West Falklands.

It seemed to take longer for the Opposition benches to

It seemed to take longer for the Opposition benches to believe that Mrs Thatcher might be announcing the end of the Falklands war, two and a half months after the invasion. But the Labour benches too were cheering by the time Mr Michael Foot rose to congratulate first the armed forces and then, in the warmest terms, the Prime Minister herself.

The Prime Minister, with

The Prime Minister, with other members of her inner Cabinet beside her, shuffled Cabinet beside her, shuffled her handwritten notes as the House filled. MPs had been drawn to the Chamber by the rumour that a minister would have something definite to tell them. Few expected anything so dramatic.

She rose to cheers, to give the latest information about "the battle of the Falklands", and said:

"the battle of the Falklands", and said:

"After successful attacks last night General Moore decided to press forward. The Argentines retreated. Our forces reached the outskirts of Port Stanley. Large numbers of Argentine soldiers threw down their

last night that the war seemed to be over, and he expected the Union Jack to be flying again over the Falklands capi-

 Mrs Thatcher's triumphant statement came at the end of a day of further success for the task force under Major-General Jeremy Moore. His forces swept through the Argentine lines and found some of General Galtieri's troops ready to surrender.

unconfirmed report early today suggested that General Menéndez, the junta's Falklands governor, would ask Britain for a free passage to a country of his choice because he does not want to return to dishonour in Buenos

weapons. They are reported to be flying white flags over Port Stanley.

"Our troops have been ordered not to fire except in self-defence. Talks are now in progress between General Menendez and our deputy commander, Brigadier Waters, about the surrender of the Argentine forces on East and West Falklands".

Up to now the Prime Minister had spoken with marked self-control, slowly and clearly, but now she relaxed and smiled broadly, in obvious relief, as she told the Speaker that she would report further to the House today.

Mr Foot was every bit as relieved. He began by thank-ing Mrs Thatcher for coming to the House to give the news, particularly because the news was so good for all concerned. It appeared, he said, that what she had said meant that there would be an end to the bloodshed "which

is what we have all desired".

If the news was confirmed, as he trusted, there would be great congratulations to the British forces. Then came his words for the Prime Minister.

words for the Prime Minister.

"I can well understand the anxieties and pressures that must have been upon her during these weeks and I can understand at this moment those pressures and anxieties may be relieved, and I congratulate her upon it".

The Conservative ranks cheered Mr Foot for this generosity and Mrs Thatcher was moved by it.

#### Washington welcomes end to the fighting

From Nicholas Ashford, Washington future still has to be re-

Last night's announcement of a ceasefire in the Falk-lands, with the likelihood that it will lead to an early Argentine surrender and withdrawal, was welcomed in

Mr George Bush, the Vice President, said that if the reports that the Argentines were surrendering were confirmed he would be the first person to say "Hooray"

An assistant to a senior Administration official said ing surrender had been greeted with relief and satisfaction at the White House.

United States officials recognised however, that the question of the islands'

A ceasefire and an Argentine withdrawal would fulfill only two or the three points laid down in the United Nations Security Council resolution 502. The third point, which Mr Alexander point, which Mr Alexander Haig, the Secretary of State, emphasized during a television interview on Sunday, calls for a diplomatic and political solution to the problem. That, Mr Haig said, was "an open menu".

Officials believe the intervi-

Officials believe the intensity of the fighting and the many lives and huge amouts of equipment lost by both sides is likely to make a political solution difficult to achieve.



Eve of truce: Mrs Thatcher on her way to the Commons yesterday

#### Junta close to surrender after fighting on edge of town

From Christopher Thomas, Buenos Aires

Argentina was on the point of surrender last night after announcing that a ceasefire was in effect on the Falkland

Islands.

General Mario Benjamin Menendez, the Governor, was thought likely to fly later to Buenos Aires to report directly to the military junta.

The Chiefs of Staff issued a string of communiques throughout the day, painting an increasingly gloomy picture of the Argentine position and finally, at 8.50 pm British time, declared that there was a de facto ceasefire on both sides.

It was reported that at

It was reported that at bout 8 pm (BST) General about 8 pm (BS1) General Menéndez met Brigadier John Waters, the deputy Commander of the British forces on the islands, to discuss the details. According to sources in Buenos Aires, the British side, under Major General Jeremy Moore, the commander of the British forces, requested the British forces, requested the

meeting and General Menen- fight and that the sensible dez sought authority from the junta before going ahead. gracefully

Earlier, troops of both sides were said to be engaged in almost hand-to-hand fighting on the edge of Port Stanley. The military spoke of "courageous resistance" but conceded that its troops were outclassed by superior equipment and by troop numbers.

Senor Hector Iglesias, secretary to the junta, met Senor Nicanor Costa Mendez, the Foreign Minister, in Buenos Aires early last night for what was described by government sources as "the discussion of diplomatic procedures that could be procedures that could be taken in the next few hours in respect to the Malvinas Islands".

The feeling among diplomatic observers was that the military might now feel it has preserved the nation's honour by putting up a tough

course would be to withdraw

The junta began preparing the country for bad news at 2pm British time when a communique admitted that British troops had laid siege to Wireless Ridge and Mount Tumbledowm, the west and south-west of the capital respectively.

The attacks, which the military said began on Sunday, involved the use of "a great amount of resources". At first the military said the Argentines were holding their positions, but within a few hours they admitted that few hours they admitted that they had been driven out.

It is widely believed in diplomatic quarters that if defeat is now accepted the junta could survive by reassuring the nation that it has fought a valient battle. The junta will try to per-suade people that although the battle has been lost, the war goes on.

A Press Association report last night said that 20 more men died in the fighting which followed the first phase of the assault on Port Stanley at the weekend, but the Ministry of Defence could not confirm that

# By Henry Stanhope, Defence Correspondent The path to what now looks like victory in the Falklands campaign was opened up yesterday when both brigades on East Falklands, embracing Royal Marines, paratroops, Guardsmen and Gurkhas began to advance on three fronts from the high ground they had won only 48 hours before. The end looked near early last evening in London when Whitehall sources, for once dropping their customary reserve, confirmed that the Argentine garrison was in full retreat. As further reports filtered

Argentines will have to leave

islands unarmed

By Henry Stanhope, D
As darkness fell in the Falkland Islands last night, British troops were establishing themselves in the tiny capital which has been their ultimate objective for the last 10 weeks of intense, often violent endeavour.

Brigadier John Waters, who is negotiating the final surrender of the Argentine garrison at Port Stanley, is understood to be insisting that all troops lay down their weapons at first light today and that they should leave the islands unarmed.

It is also believed that Britain wants them to leave quickly, from West as well as

As further reports filtered through, Whitehall referred to a near-rout as teenage Argentine conscripts fled from the flemsy barrier of trenches and foxholes which they had built around the

#### **FALKLANDS ROUNDUP**

100 jets downed Welsh dead Young wives mourn 10 Galtieri survival Leading article

Britain wants them to leave quickly, from West as well as East Falkland, and that the Ministry of Defence will fly them out if possible, to expedite their going.

Mr John Nott, Secretary of State for Defence, was jubilant when he visited his ministry late last night after leaving the Commons.

Acknowledging that the war seemed to be over, he thought the Union Jack would be flying once more over Port Stanley within a matter of hours. "We are absolutely delighted with the news," he said.

Admiral of the Fleet Sir Hundreds of prisoners were said to have already been taken and a great deal of equipment captured.

news," he said.

Admiral of the Fleet Sir Terence Lewin, the Chief of Defence Staff, who had been at the Fleet's operational headquarters at Northwood, Middlesex, earlier in the day, monitoring calls from the task force, said that the advancing British troops had started to come across Argentine soldiers who were ready to surrender. First news of the spectacular British advance, the second in 48 hours, was released by the Ministry of Defence shortly before 6 pm, in the form of a statement by the Defence Secretary himself, Mr John Nott.

Argentine soldiers who were ready to surrender.

"Others were seen going back into Port Stanley. Then we heard that they were prepared to discuss surrender terms."

The news was flashed to Northwood soon after 6pm and the surrender talks began two hours later. Last night the two brigadiers who were discussing the surrender terms were said to be negotiating on the outskirts of the town.

In the form of a statement by the Defence Secretary himself, my John Nott.

British forces who had captured high ground surrounding Port Stanley on Mount Longden and Two Sisters on Friday night, had once more pressed forward, he said. But yesterday morning they had secured the key positions of Tumbledown Mountain and Mount William to the south west and Wireless Ridge to the north west of the capital.

#### British deaths top 200

By Denis Taylor

members of the British task force killed, or missing presumed dead, during the Falklands conflict issued by the Ministry of Defence is

No precise figures of the number of Argentines killed during the entire operation were available from the ministry last night, but the Argentine death rate has been far higher than the British.

The figure given in Buenos Aires for those who died after the attack on the cruiser General Belgrano was 382, and 250 Argentine troops were killed in the British assault on Goose Green.

### STANLEY APPROXIMATE SUNDAY POSITION OF FRONT-LINE Port Harrie Land over 500ft

Where it ended: British positions and the neutral zone for civilians

### Chronicle of the conflict

By Nicholas Timmins

The following are the April 8: Mr Alexander Haig, principal events leading up to American Secretary of State, ast night's ceasefire in the Falklands conflict:

February 27: What proves to be final negotiating session on islands' future, before on islands' future, before openly sides with Britain,
Argentine invasion, ends in ordering limited sanctions
New York. British believe against Argentina after final they have won breathing space to end of the year. Three days later Argentine Government warns it will seek other means of resolving dispute unless there is speedy settlement. March 19: Between 50 and 60

Argentines land on South Georgía and raise flag. Most, but not all, leave. March 26 or 27: Intelligence sources in Buenos Aires give Foreign Office detailed account of invasion plans.

April 2: Argentina invades. British Marines surrender after three-hour battle. after
Britain announces
assembling task force.
April 3: United Nations
Security Council passes
Security Council passes

resolution 502 calling for end to hostilities, withdrawal of Argentine troops, settlement by diplomatic means. Argentina seizes South Georgia. April 5: First task force ships sail. Lord Carrington resigns

April 7: Britain declares 200 military exclusion

American Secretary of State, begins diplomatic shuttle. April 25: Britain recaptures South Georgia. April 30: United States

failure of peace efforts.

May 1: Harriers and Vulcan bomb Port Stanley airfield, Darwin and Goose Green. Warships shell Argentine positions. Two mirage and one Argentine Canberra shot

down. Argentine cruiser General Belgrano sunk. Argentine later admits 382 May 4: HMS Sheffield hit by

Exocet missile. Later sinks. Twenty men lost. May 7: Exclusion zone extended to 12 miles of Argentine coast. May 14: Three Argentine Skyhawks shot down. Raid

on Pebble Island. May 20: United Nations peace efforts break down. May 21: British troops establish San Carlos beachhead. HMS Ardent lost. Twentytwo men lost. Nine Argentine aircraft shot down.

May 23: HMS antelope crippled, sunk on 24th as bomb in engine room explodes. May 24: Seven Argentine aircraft shot down.

May 25: HMS coventry lost and Atlantic Conveyor hit by Exocet, Twenty-four men lost. Argentine national day. May 28: Darwin and Goose Green re-captured. 1,400
Argentine prisoners taken.
June 1 Britain repeats its
ceasefire terms. Death of 250
Argentines and 17 British at

Goose Green confirmed.

June 2 British troops reported within sight of Port Stanley. Junta sends delegation to United Nations. June 3 British aircraft drop eaflets to Argentines in Port Stanley urging them to surrender.

June 6: Versailles summit of world leaders backs British recovery of the Falklands. June 7: Appeal from British commander to Argentines to

June 8: Fifty British killed in Argentine air attacks on ships at Bluff Cove. Eleven Argentine aircraft down. June 10: Mr John Nott, Defence Secretary, says this setback will not delay taking

June 12: Nine killed on HMS Glamorgan while supporting five-mile advance by task force towards Port Stanley. June 13: Argentines say two civilians killed in Port Stanley. Argentines admit their defences breached around the Falklands capital.

#### The team that led from tragedy to triumph

who, more than any others, have had to share the burden of responsibility during the last 10 weeks of triumph and tragedy in the South Atlan-

Only a week ago there was tragedy when Argentine aircraft, in what was to prove their last significant raid of the war, bombed two ships at Bluff Cove. Today there is the triumph.

Less than three months ago their names and faces were largely unknown to the

were largely unknown to the British public. Now they seem likely to go down in military history as the leaders who, under the Cabinet's control, steered Britain control, steered Britain through the Falklands crisis.

Admiral of the Fleet Sir Terence Lewin, as Chief of Defence Staff — a post he is

due to relinquish this year is Britain's senior Service-man and coordinated the war effort, with advice from the Chiefs of Staff Committee while he in turn advised Mr John Nott, the Defence

Admiral Sir John Field-house, as Commander-in-Chief Fleet, controlled the operation in the South Atlantic from the underground bunker known as "the hole" at his Northwood, Middlesex, headquarters.

It was Rear Admiral John
"Sandy" Woodward who
commanded the task force
from his flagship, HMS
Hermes, while Major-General
Jeremy Moore, Royal Marines, as Commander Land Forces, planned and fought the final phase of the Falklands campaign.



The men in charge: From left, Sir Terence Lewin, Admiral Sir John Fieldhouse, Major-General Jeremy Moore and Rear Admiral John "Sandy" Woodward.

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