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OD(SA)(82) 35th Meeting

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CABINET
DEFENCE AND OVERSEA POLICY COMMITTEE
SUB-COMMITTEE ON THE SOUTH ATLANTIC AND
THE FALKLAND ISLANDS

—
MINUTES of a Meeting held
at Chequers on
SUNDAY 16 May 1982 at 10.00 am
—

PRESENT

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon William Whitelaw MP
Secretary of State for the
Home Department

The Rt Hon Francis Pym MP
Secretary of State for Foreign
and Commonwealth Affairs

The Rt Hon John Nott MP
Secretary of State for Defence

The Rt Hon Cecil Parkinson MP
Chancellor of the Duchy of
Lancaster and Paymaster General

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Sir Michael Havers QC MP
Attorney General

Admiral of the Fleet
Sir Terence Lewin
Chief of the Defence Staff

Sir Antony Acland
Foreign and Commonwealth Office

Sir Nicholas Henderson
British Ambassador to Washington

Sir Anthony Parsons
United Kingdom Permanent Representative
to the United Nations

Sir Ian Sinclair
Foreign and Commonwealth Office

Sir Frank Cooper
Ministry of Defence

Sir Michael Palliser
Cabinet Office

SECRETARIAT

Mr R L Wade-Gery
Mr R L L Facer
Brigadier J A C G Eyre

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1. MILITARY ISSUES

The Chief of the Defence Staff briefed the Sub-Committee on the latest Military situation.

The Sub-Committee -
Took note.

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2. DIPLOMATIC ISSUES

The Sub-Committee had before them a memorandum by the Foreign and Commonwealth Secretary (OD(SA)(82) 51) on the New York negotiations with the Secretary General of the United Nations, Senor Perez de Cuellar, to which was attached a draft interim agreement suggesting a final position for Britain to adopt in order to bring the negotiations to a head. A revised version of that draft, as agreed by the Sub-Committee at their meeting, has since been circulated under a covering note by the Secretaries (OD(SA)(82) 53).

SIR ANTONY PARSONS said that the device of recalling him for consultations had for the moment achieved its intended effect of delaying the climax of the New York negotiations and averting a meeting of the Security Council. But the position in New York could probably not be held beyond 17 May. It was important to retain the goodwill of the Secretary General; to prevent him tabling unacceptable proposals of his own; and to demonstrate to United Nations opinion that Britain had been negotiating in good faith. He therefore welcomed the proposal that Britain should table a draft agreement indicating the furthest that she could go in negotiating an interim settlement. Such a draft could form the basis for a settlement if Argentina really wanted one. If not, as seemed more probable, the draft would precipitate a breakdown in the negotiations; it could then be published, so as to demonstrate that Britain's position had not been unreasonable and that Argentina was to blame for the breakdown. If it was to serve that purpose satisfactorily, its provisions on the interim administration of the Falklands should lay more stress on local representative institutions than on the restoration of the colonial regime. Britain would also be vulnerable to criticism if the negotiations broke down over the exclusion of South Georgia from the agreement; the United States Government should therefore be urged to press the Argentines not to press the South Georgia issue. He would

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hope to hand the draft to the Secretary General by midday on 17 May; to request him formally to transmit it to the Argentines; and to insist on a reply within 48 hours. On that basis, the negotiations were likely to come to an end on 19 May. Provided major military operations did not begin for a day or two thereafter, there should be less danger of Britain appearing to have undermined the chance of a diplomatic settlement by opting precipitately for a military solution.

SIR NICHOLAS HENDERSON said that these tactics should also serve to retain the goodwill of the Americans, who would be equally reluctant to see too much stress laid on restoring the colonial regime. United States support for Britain remained strong. At the same time, other influences were at work; the Americans were alarmed by the damage being done to their relations with Latin America, and by the fear that they might have to become militarily involved if British forces got into difficulties. It was therefore essential to demonstrate that Britain was sincere in her search for a diplomatic solution and was prepared to offer reasonable terms for a settlement. The United States Secretary of State, Mr Haig, was likely to be ready to co-operate in pressing the Argentines not to press the South Georgia issue; he would be more reluctant to contemplate any form of United States guarantee of a negotiated settlement, but the best approach to this possibility might be through American involvement in verifying the implementation of the military withdrawal provisions of an interim agreement. The possibility of President Reagan cancelling his visit to Britain in early June could not be excluded if major military operations were in progress; much would depend on the level of casualties and the extent of British public and parliamentary criticism of the United States.

THE PRIME MINISTER, summing up the discussion, said that the Sub-Committee had agreed on a revised version of the draft agreement, which should be defensible both in Parliament and vis-a-vis international opinion. This should be shown to the Cabinet at their meeting on 18 May. Meanwhile, it should be handed to the United Nations Secretary General on 17 May, for formal transmission to the Argentine Government under a 48 hour deadline. The Secretary General should also be asked to acknowledge a side letter making clear that South Georgia was not covered by the proposed agreement. Once the deadline was passed the Government would probably wish to publish the draft agreement as a Command Paper.

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Meanwhile it would be important to avoid leaks, which could precipitate a premature debate in Parliament. The existence of a deadline was particularly sensitive in that context. The Foreign and Commonwealth Secretary should not therefore inform Britain's European partners about the document; but the knowledge that Britain was negotiating seriously and urgently for a diplomatic settlement should assist the process of persuading them to renew the European Community's economic sanctions against Argentina. The Foreign and Commonwealth Secretary would be seeing Mr Haig later that day and on 17 May, in the context of the Ministerial Meeting of the North Atlantic Council in Luxembourg, and should raise with him both the need to dissuade the Argentines from pressing the South Georgia issue and the need for a written undertaking about United States involvement in verifying and guaranteeing a settlement. For this purpose Mr Haig would have to be shown the British draft agreement; but he should if possible not be given a copy of it, at least until after Sir Antony Parsons had handed it to Senor Perez de Cuellar. Retaining American support remained a key British objective. Once major military operations started, international pressure for a cease-fire would be very strong. This made it all the more important to ensure that the Argentines were seen to be to blame when the negotiations in New York broke down. At the same time it was crucial for the Government to retain the support of the British public; in that context the draft agreement's lack of an explicit reference to self-determination would undoubtedly give rise to difficulty.

The Sub-Committee -

Invited the Foreign and Commonwealth Secretary to arrange for negotiations to be conducted with the United Nations, with the United States and with European Community Governments on the basis indicated by the Prime Minister in her summing up.

Cabinet Office

17 May 1982

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