

**SECRET**

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

OD(SA)(82)49th Meeting

COPY NO 16

CABINET

DEFENCE AND OVERSEA POLICY COMMITTEE

SUB-COMMITTEE ON THE SOUTH ATLANTIC AND  
THE FALKLAND ISLANDS

---

MINUTES of a Meeting held at  
10 Downing Street on  
WEDNESDAY 2 JUNE 1982 at 9.30 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 Michael Palliser  
Cabinet Office

SECRETARIAT

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

CONTENTS

Item No	Subject	Page
1	MILITARY ISSUES	1
2	POLITICAL ISSUES	2

**SECRET**

SECRET

1. MILITARY ISSUES

The Sub-Committee had before them a note by the Secretaries (OD(SA)(82) 59) covering a note by Ministry of Defence officials on securing an Argentine surrender.

THE CHIEF OF THE DEFENCE STAFF briefed the Sub-Committee on the latest military situation and circulated a paper analysing the incident in which the ss Atlantic Conveyor was hit by an Argentine Exocet missile.

THE PRIME MINISTER, summing up the discussion, said that to preserve freedom of action the reference to what was implicitly early repatriation should be omitted from the message to the Argentine Commander proposed in OD(SA)(82) 59. The prospect of repatriation might more appropriately be glanced at in leaflets which could be dropped to the Argentine garrison at a later stage. Meanwhile the text of the leaflets which had already been prepared might appropriately be released to the press. The timing of the surrender call should continue to be kept under close review. Further consideration would need to be given to the handling of Argentine prisoners of war including the method and timing of their repatriation; and also to ways of achieving a mainland ceasefire. Accurate press reports of bad behaviour by the Argentines on the Falklands could have a useful impact on British and world opinion; eg their possession of napalm, their abuse of the flag of surrender and the mass incarceration of civilians at Darwin and Goose Green. News of the first awards for valour in the South Atlantic operations should be carried in the morning press on 4 June. No way had yet been found of surmounting the legal objections to attacking Argentine warships within 12 miles of the coast of Argentina.

The Sub-Committee -

1. Approved OD(SA)(82) 59, subject to the deletion of the last sentence of the penultimate paragraph of the annexed message.
2. Invited the Defence Secretary, in consultation with the Foreign and Commonwealth Secretary, to make proposals on the handling of Argentine prisoners of war and on ways of achieving a mainland ceasefire.
3. Invited the Defence Secretary, in consultation with the Chancellor of the Duchy of Lancaster, to consider making available to the press the text of the leaflets now available for dropping to the Argentine garrison in Port Stanley.

SECRET



SECRET

4. Invited the Defence Secretary to arrange for the first awards for valour in the South Atlantic to be published under an embargo of 12 midnight on 3/4 June.

## 2. POLITICAL ISSUES

The Sub-Committee had before them telegrams nos. 906-7 from the United Kingdom Representative at the United Nations, Sir Anthony Parsons, reporting on the latest negotiations with the United Nations Secretary General, Senor Perez de Cuellar; and telegrams nos. 1971, 1977 and 1987-8 from Her Majesty's Ambassador at Washington, Sir Nicholas Henderson, describing American attitudes.

THE PRIME MINISTER, summing up the discussion, said that the Argentine conditions summarised in paragraph 10 of Sir Anthony Parsons telegram no. 906 were clearly unacceptable. On the other points raised by the Secretary General and his staff in discussion with Sir Anthony Parsons, a United Nations presence in negotiations between the military commanders would not be acceptable; nor would the admission of a small core of United Nations observers during an Argentine withdrawal. The return of the Governor was an open question; but there would have to be a British civilian administrator and a military governor would not be appropriate. Sir Anthony Parsons should make these points in his reply to the Secretary General and should be given discretion to float the draft Resolution in his telegram no. 907. The work which officials already had in hand on possible future expenditure on the Falklands could usefully be pursued on the basis of three alternative assumptions: (a) no mainland ceasefire and a continuation of the conflict on the present limited basis; (b) continuing Argentine hostility, without the use of military force but with no Argentine acquiescence in British repossession; and (c) grudging Argentine acquiescence in British repossession, with the possibility of some limited Argentine co-operation eg in operating communications to the Islands. It was essential to preserve the secrecy of this work. Further consideration should be given to the form a British administration should take after the Islands had been repossessed. If a senior figure such as Lord Shackleton were in overall charge with wide responsibilities, he might perhaps carry a title such as Commissioner General for the South Atlantic.

SECRET



SECRET

The formal role of Officer Administering the Government might rest either with him or with the Chief Secretary, who would be responsible for day-to-day administration. In her forthcoming conversation with President Reagan and Mr Haig, she would want to take due account of the invaluable support which Britain continued to receive from the United States in the Falklands operations and also of American concern to find a long term solution to the dispute which would not impair the United States' relations with the countries of Latin America. In this connection, it would be helpful if urgent consideration could be given to ways in which the United Kingdom should aim to mend its fences with Latin America when repossession of the Falklands had been completed; and if a note could be prepared summarising the efforts which the British Government had made in recent years, prior to the present crisis, to strengthen its relations with Latin American countries. The latter would also be valuable background for use in interviews with the media. In giving such interviews, it would be necessary to guard carefully on the one hand against raising public expectations of an early end to the fighting (which might well be protracted and difficult) and, on the other hand, against comments which might be interpreted in Argentina as lack of confidence in a British victory.

The Sub-Committee -

1. Invited the Foreign and Commonwealth Secretary to send instructions to Sir Anthony Parsons in accordance with the Prime Minister's summing up.
2. Instructed the Secretary of the Cabinet to arrange for the work already in hand on possible future expenditure on the Falklands to be based on the three assumptions outlined by the Prime Minister in her summing up.
3. Invited the Foreign and Commonwealth Secretary to put forward proposals as to the form a restored British administration of the Falkland Islands might take.
4. Invited the Foreign and Commonwealth Secretary to circulate as soon as possible papers containing (a) proposals for restoring and developing the United Kingdom's relations with the countries of Latin America after the Falklands had been re-occupied; and (b) an account of the efforts made by the British Government to strengthen its relations with Latin American before the present crisis began.

Cabinet Office

2 June 1982

SECRET