



Overtake

MR 19/5

f.a.

10 DOWNING STREET

Prime Minister

You may like to discuss the attached paper briefly at ODSA tomorrow.

2. It is purely a contingency paper prepared in case our proposals leak tomorrow. The aim is of course that they should not and that you should present them in your speech to Parliament on Thursday.

3. On the last proposal, I have already discussed your speech in detail with those in the F/C.O. who are drafting it. The attached paper contains some useful material but I have asked them to put in a rather different shape.

A.S.C. 15/5



Foreign and Commonwealth Office

London SW1A 2AH

18 May 1982

Dear John,

Falklands: Public Presentation of our
'Final Position'

It was agreed at OD(SA) this morning that, if Argentina rejected our latest proposals, the Government would aim to lay the British draft agreement and the letter about South Georgia, with a brief covering note, in the lobby of Parliament at noon on Thursday 20 May, and that the Prime Minister would open an emergency debate that afternoon with a speech explaining our position and the most important provisions of the draft agreement.

There is of course a possibility that the Secretary-General will announce the failure of his talks in New York in the latter part of tomorrow. Sir A Parsons is trying to sound out the Secretary-General's intentions and will stress strongly our wish that our position should not leak prematurely in New York. But it cannot be excluded that the substance of our position, and even some or all of the draft agreement, might begin to leak tomorrow. The Foreign and Commonwealth Secretary believes that publication of our position on its own, without proper explanation of it, could create an impression in many countries that would be far less favourable to us than if a timely explanation had been provided. Mr Pym has therefore had prepared the enclosed paper, which sets out a public position which the Government might take in that event. (We shall also of course be instructing our posts abroad to take action with the governments to which they are accredited, and with the local media, at the appropriate moment.) If we needed to explain our position late tomorrow, this paper could be laid before Parliament together with the draft agreement and the letter about South Georgia or, alternatively or additionally, it could be used as the basis for a press conference by Mr Pym, as well as for general briefing of the media. All this is in the nature of contingency planning, so that we can be ready for a variety of outcomes.

If there is no need to publish anything tomorrow, Mr Pym suggests that the main line of the Prime Minister's speech in Parliament on Thursday should follow that in the enclosed paper. Subject to any early comments you may have on this, we are going ahead with the draft of a speech, to reach you by 3 pm tomorrow.

/I am

No
covering
explanation

Prepare
debate?



I am copying this letter with enclosure to the Private Secretaries to other members of OD(SA), to the Private Secretary to Sir Robert Armstrong and to Sir Michael Palliser.

Yours ever

J E Holmes

(J E Holmes)
Private Secretary

The proposed quest is all right as a first draft - what it says could be improved by sub-editing to a better words. I am somewhat concerned that the major part is largely historical narrative and gives the impression that there have only been 3 sets of proposals. Not so. Stage 1 London; Stage 2 Buenos Aires; Proposed Stage III for London; Stage 4 - withdrawal; Stage / Revision -; U.N. framework; Draft proposals VII. There are some other sets - namely the London / Withdrawal Conference in which that Stage refused. The only sets we have put up in detail is the last set and that had to be added to 3 folders.

- 1 fundamental matters - - - -
- 2 acceptability but put forward in knowledge that further work could be considered
- 3 did not present outcome i.e. none

A J Coles Esq
10 Downing Street

negotiations were still ahead.

Argentina has never intended to
with draw. Used by part delay of
parties. Even suggestion with
amendments which pointed to ends
sovereignty for Argentina.

- But - what disrupts
- not disappeared
 - But etc.
 - what he has done to
islanders who disrupt the

Now. - all proposals with drawn.

This framework is an end.

If any future proposals - must
start with a different framework
These movements they have done is
Argentine can be trusted.

Not even do divisions with any
options - if he do say that
must not be about on the lines in another
way. Objective - not to kill the idea
to look own way to the with Govt to then

THE FALKLAND ISLANDS: NEGOTIATIONS FOR A PEACEFUL
SETTLEMENT

Argentine Aggression

1. It is now almost 7 weeks since Argentina invaded the Falkland Islands. This unlawful use of force in unprovoked aggression threatened not only to destroy the democratic way of life freely chosen by the Falkland Islanders but also the basis on which international order rests. The invasion was also a singular act of bad faith: it took place when Britain and Argentina were engaged in negotiations in accordance with requests from the United Nations.
2. On 1 April the President of the United Nations Security Council had formally appealed to Argentina not to invade the Falkland Islands. Yet on 2 April Argentina invaded. On 3 April, the United Nations Security Council passed its mandatory resolution 502, demanding a cessation of hostilities and an immediate withdrawal of all Argentine forces from the Islands. The same day, Argentina took South Georgia. In the ensuing weeks she has shown no sign of complying with the Security Council Resolution: on the contrary, she has continued a massive build up of the occupying forces on the Falkland Islands. There could hardly be a clearer demonstration of disregard for international law and for the United Nations itself.

/The British Response

The British Response

3. Britain need have done nothing more than rest on the mandatory resolution of the Security Council. Furthermore, Britain's inherent right of self-defence under Article 51 of the United Nations Charter would have justified Britain in adopting a purely military policy for ending the crisis. But in order to avoid, if possible, a military confrontation and the attendant loss of life, Britain adopted a policy, frequently explained by the Government in Parliament, of building up pressure on Argentina. to withdraw and accept a negotiated settlement. Military pressure was exerted by the rapid assembly and despatch of the British naval task force. Diplomatic pressure, first expressed in Security Council Resolution 502, was built up by the clear statements of condemnation of Argentine aggression which were made by many countries across the world. It was widely recognised that aggression could not be allowed to stand, since otherwise international peace and order would be dangerously prejudiced in many regions. The members of the European Community, Australia, New Zealand, Canada and Norway joined Britain in rapidly imposing economic sanctions on Argentina.

Efforts for a Negotiated Settlement

4. Britain dedicated her maximum diplomatic efforts to the search for a negotiated solution, and the Government kept Parliament as fully informed as the confidentiality of difficult negotiations would allow.

Proposals for an interim agreement to end the crisis were first put forward by the United States Secretary of State, Mr Alexander Haig. Although these presented real difficulties for Britain, as well as certain welcome features, the Government expressed their willingness to consider them. Argentina rejected Mr Haig's proposals. The next stage of negotiations was based on proposals originally advanced by President Belaunde of Peru and modified in consultations between him and the United States Secretary of State. As the Foreign and Commonwealth Secretary informed Parliament on 7 May, Britain was willing to accept these proposals for an interim agreement. Argentina rejected these proposals too.

5. Since then, the Secretary-General of the United Nations, Senor Perez de Cuellar, has been conducting negotiations with Britain, represented by our Permanent Representative at the United Nations, Sir Anthony Parsons, and Argentina, represented by the Deputy Foreign Minister, Senor Ros. In these negotiations, as in earlier ones, Britain made repeated efforts to establish whether Argentina was willing to be sufficiently flexible to make a reasonable interim agreement possible. But it became increasingly clear that Argentina's aim in the negotiations was merely to hold on to the fruits of aggression, with all that this would imply for the international rule of law, and was playing for time in the talks in New York rather than

/seeking

seeking an agreement. There was an important meeting of British ministers, attended by Sir Anthony Parsons and the British Ambassador in Washington, Sir Nicholas Henderson, on Sunday 16 May. Sir Anthony Parsons returned to New York with a draft interim agreement between Britain and Argentina which set out the British position in full. He handed it to the United Nations Secretary-General on 17 May, making clear it represented the furthest that Britain could go in the negotiations. Sir Anthony Parsons requested that the Secretary-General should give the draft to the Argentine Deputy Foreign Minister and ask the latter to convey his Government's response within two days. [Argentina has not accepted the proposed interim agreement.] For the third time, Argentina has put an end to serious efforts for a negotiated settlement. It is clear that the gap between the Argentine position and the requirements of a negotiated settlement is now too wide to be bridged by further negotiation.

Britain's Fundamental Principles in Negotiations

6. The Government's approach in all the negotiations has been based on important principles, which Ministers have set out repeatedly in Parliament:

- a. International Law. Argentina's unlawful aggression must end and Security Council Resolution 502 must be implemented. Aggression
/must not

must not be rewarded, or small countries across the world would feel threatened by neighbours with territorial ambitions.

b. Freedom. The Falkland Islanders are used to enjoying free institutions, which were established with their agreement and which functioned with their participation. Britain insisted that any agreement to end the Falkland Islands crisis must involve democratically elected representatives of the Falkland Islanders, and the continued existence of the Legislative and Executive Councils, so as to enable the Falkland Islanders to continue to participate in the administration of their affairs and to express freely their wishes about the future of the Islands, in accordance with the principle of self-determination.

c. Sovereignty. Britain has no doubt of her sovereignty over the Falkland Islands, having administered them peacefully since 1833. Nevertheless, successive British governments have been willing, without prejudice, to include the question of sovereignty in negotiations with Argentina about the future of the Falkland Islands. In the recent negotiations, the Government have been willing that an interim agreement should provide for new negotiations about the future of the Islands,

/which

which likewise could discuss sovereignty in good faith, so long as there was no prejudgement as to the outcome of negotiations. Although Argentina seemed, at one point in the United Nations Secretary-General's negotiations, to have accepted a formula about non pre-judging the outcome of future negotiations, she continued to insist on other provisions running counter to this, thus casting grave doubt on the seriousness of this acceptance. This doubt was reinforced by a number of statements coming from Argentine leaders.

7. In the Secretary-General's negotiations, Britain has insisted that the Falkland Islands Dependencies should not be covered by an interim agreement to end the crisis. South Georgia and the South Sandwich Islands are geographically distant from the Falkland Islands themselves. They have no settled population. The British title to them, of which the Government have no doubt, does not derive from the Falkland Islands and these territories have been treated as Dependencies of the Falkland Islands only for reasons of administrative convenience.

8. Throughout the negotiations, Britain has been firm on the essential principles but willing to negotiate on matters where these principles were not breached. In particular:

a. In return for Argentine withdrawal from the

/Falkland

*ie. ...
of ...
20*

Falkland Islands, Britain was willing (Article 2(3)) to withdraw her Task Force to a distance of 150 nautical miles. She was also willing to have international verification (Article 6(4)) of the mutual withdrawal, in which the United Nations might have made use of surveillance aircraft from third countries.

- b. Britain was willing that the exclusion zones (Article 3) declared by herself and Argentina, and the economic sanctions (Article 5) introduced during the present crisis, should be lifted from the moment of ceasefire, although these actions would give more comfort to Argentina than to Britain.
- c. Britain was prepared to accept the appointment of a UN Administrator (Article 6(3)) to administer the Government of the Falkland Islands. Britain wanted him to discharge his functions in consultation with the representative institutions in the Islands - the Legislative and Executive Councils - which have been developed in accordance with the terms of Article 73 of the UN Charter. (This makes clear that the interests of the inhabitants of non-self-governing territories are paramount and refers to the need to take due account of the political aspirations of the peoples.) It is inconceivable that Britain, or any other democratic /country,

country, could accept that her people should be deprived of their democratic rights. Britain was nevertheless willing to accept that one representative from the Argentine population of the Islands (some 30 people out of 1800) should be added to each of the Councils, ~~so that there would have been 7 members of the Executive Council and 9 of the Legislative Council, one member of each being from the Argentine population.~~ Additionally, Britain was willing to accept the presence of up to 3 Argentine observers on the Islands in the interim period.

- d. Britain was willing (Article 7) to agree to re-establishment of communications, travel, transport, postage etc, between the Falkland Islands and the Argentine mainland, on the basis existing before the invasion.
- e. Britain was willing to enter into negotiations (Article 8) under the auspices of the UN Secretary-General for a peaceful settlement of the dispute with Argentina about the Falkland Islands and to seek the completion of these negotiations by the target date of 31 December 1982. Our position was that no outcome to the negotiations should be either excluded or predetermined.
9. Argentina for her part tried in the negotiations to argue that British naval forces should return to their

/usual

usual operating areas, no doubt in the hope of being able to invade the Falkland Islands without opposition at some future time. Argentina also resisted language (end of Article 6(3)) about the UN Administrator exercising his powers in conformity with the laws and practices traditionally observed in the Islands. It was evident that the purpose of this opposition was to change the nature of Falklands society and its demographic make-up, and thus prejudge the future. Argentina also resisted the provision in the British draft agreement (beginning of Article 9) which would have ensured that the interim arrangements should stay in place until a definitive agreement about the future of the Islands could be implemented. Argentina's evident hope in this was that, if no definitive agreement had been reached by the target date of 31 December 1982, the interim administration would cease to exist and a vacuum be created which Argentina could fill. This meant that Argentina's acceptance of language about not prejudging the outcome of negotiations about the future of the Islands (Article 8) was placed in question, not only by continued public statements by Argentine leaders that the only possible outcome was Argentine sovereignty, but also by the position her representatives were actually taking in the negotiations.

10. The present crisis was brought about by Argentina's unlawful act of aggression. In their subsequent attitude the Argentine government showed that they had no respect either for democratic principles nor for the rule of law. Britain stands firmly for both.

17 MAY 1982

