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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  
TUESDAY 1 JUNE 1982 at 10.30 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

**SECRET**

**SECRET**

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

**SECRET**



SECRET

1. MILITARY ISSUES

THE CHIEF OF THE DEFENCE STAFF briefed the Sub-Committee on the latest military situation.

THE PRIME MINISTER, summing up the discussion, said that a strong protest should be made to Argentina over the bombing of the merchantman British Wye. Positive use could be made publicly of the discovery that the Argentines had been holding napalm bombs at Goose Green. It would be helpful if the Defence Secretary could circulate to his colleagues on the Sub-Committee an analysis of the considerations for and against the repatriation of the bodies of servicemen killed in the South Atlantic. This question needed sensitive press handling, which should be co-ordinated between Departments. If possible, the announcement of the first awards for valour in the South Atlantic operations should be brought forward to 5 June. The question of gratuities for the dependents of those killed in action should be examined in the light of the precedents. A decision whether to hold Lieutenant Commander Astiz in the United Kingdom or to return him to Argentina should be deferred until after the Versailles Summit. It would be helpful to have further legal advice on the possibility of taking military action, in ways consistent with international law and Article 5† of the United Nations Charter, against Argentine warships which posed a potential threat to the British Task Force from within the 12 mile zone. The timing and terms of a call by the local British commanders in the South Atlantic to their Argentine opposite numbers to surrender should be kept under daily review.

The Sub-Committee -

1. Invited the Foreign and Commonwealth Secretary, in consultation with the Defence Secretary, to arrange for a suitable protest to be made to Argentina at the attack on the British Wye.
2. Invited the Defence Secretary to minute his colleagues on the pros and cons of repatriation of the bodies of the dead.
3. Invited the Defence Secretary to consider the precedents for the granting of gratuities to dependents.
4. Invited the Attorney General to consider further the legal feasibility of action against Argentine warships as indicated by the Prime Minister in her summing up.

SECRET



SECRET

2. POLITICAL ISSUES

The Sub-Committee had before them telegrams nos. 1960-64 and 1968 from Her Majesty's Ambassador in Washington, Sir Nicholas Henderson, reporting his latest conversations with the United States Secretary of State, Mr Haig; and other telegrams reporting developments at the United Nations and elsewhere.

THE FOREIGN AND COMMONWEALTH SECRETARY said that an early response was needed to Mr Haig's latest ideas.

In discussion it was pointed out that the United States Government seemed to think complete British military success on the Falklands more imminent than it actually was. Mr Haig seemed also not to recognise that solutions which might have been acceptable at an earlier stage of the crisis were no longer realistic in the light of British military exertions and losses. It would be unacceptable to have a ceasefire which would leave Argentine forces in place and in a position to procrastinate over withdrawal. Nor would it be understood by British opinion if after the Islands had been recaptured they were handed over to a contact group involving third parties. United Nations participation in the administration of the Islands should also be avoided; there was wide support in the General Assembly for the Argentine position on sovereignty. At the same time, it was important to retain the support of the United States. American involvement would be needed in the longer term, both to help guarantee the security of the Islands and to contribute economically to their development.

THE PRIME MINISTER, summing up the discussion, said that there would be no question of halting the military campaign on the Falklands before it had been brought to a successful conclusion. There would then have to be an armistice under arrangements made by the commanders on the spot. Some means would also have to be found for ensuring that the ceasefire covered operations from the Argentine mainland; possession of a large number of Argentine prisoners of war could be a useful bargaining counter in that context. But there could be no wider political negotiations with Argentina. Administration of the Islands would continue to be a British responsibility until such time as the security

SECRET

SECRET

and economic future of the Islands could be guaranteed. The British administration would need to be headed by someone of acknowledged weight and experience: Lord Shackleton would be a possibility. Meanwhile it would be important to make British views clear to President Reagan and Mr Haig without losing their sympathy and support. It would be easier to do this face to face than through messages. Mr Haig should therefore be invited to stop over in London on his way to Paris on 2 June. If he was unable to accept this invitation, it might be necessary for the Foreign and Commonwealth Secretary to go to Paris to see him there; she herself would in any case see President Reagan with Mr Haig in Paris on 5 June, immediately before the Versailles Summit. United States help with the defence of Belize might be necessary to offset Britain's increased military preoccupation with the Falklands.

The Sub-Committee -

1. Invited the Foreign and Commonwealth Secretary to seek to arrange for Mr Haig to visit London on 2 June.
2. Invited the Foreign and Commonwealth Secretary to consider, in consultation with the Defence Secretary, whether existing British forces in Belize might be replaced by the United States.

Cabinet Office

1 June 1982

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