

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

CC(82) 28th  
Conclusions

COPY NO 79

CABINET

---

CONCLUSIONS of a Meeting of the Cabinet  
held at 10 Downing Street on

THURSDAY 20 MAY 1982

at 11.00 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 Sir Geoffrey Howe QC MP  
Chancellor of the Exchequer

The Rt Hon Sir Keith Joseph MP  
Secretary of State for Education and Science

The Rt Hon John Nott MP  
Secretary of State for Defence

The Rt Hon Michael Heseltine MP  
Secretary of State for the Environment

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

The Rt Hon John Biffen MP  
Lord President of the Council

The Rt Hon Norman Fowler MP  
Secretary of State for Social Services

The Rt Hon Baroness Young  
Lord Privy Seal

The Rt Hon Lord Hailsham  
Lord Chancellor (Items 1 and 2)

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

The Rt Hon James Prior MP  
Secretary of State for Northern Ireland

The Rt Hon Peter Walker MP  
Minister of Agriculture, Fisheries and Food

The Rt Hon George Younger MP  
Secretary of State for Scotland

The Rt Hon Patrick Jenkin MP  
Secretary of State for Industry

The Rt Hon David Howell MP  
Secretary of State for Transport

The Rt Hon Leon Brittan QC MP  
Chief Secretary, Treasury

The Rt Hon Nigel Lawson MP  
Secretary of State for Energy

SECRET

The Rt Hon Norman Tebbit MP  
Secretary of State for Employment

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

The Rt Hon Lord Cockfield  
Secretary of State for Trade

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Sir Michael Havers QC MP  
Attorney General

The Rt Hon Michael Jopling MP  
Parliamentary Secretary, Treasury

Admiral of the Fleet Sir Terence Lewin  
Chief of the Defence Staff (Item 1)

SECRETARIAT

Sir Robert Armstrong  
Mr R L Wade-Gery (Item 1)  
Mr D J S Hancock (Item 2)  
Mr R L L Facer (Items 1 and 2)  
Mr D H J Hilary (Item 3)  
Mr L J Harris (Item 3)

C O N T E N T S

Item	Subject	Page
1.	FALKLAND ISLANDS	1
2.	COMMUNITY AFFAIRS	
	Foreign Affairs Ministers Meeting, Luxembourg 16 and 17 May 1982	1
	Council of Ministers (Agriculture), Brussels 17 and 18 May 1982	1
3.	PARLIAMENTARY AFFAIRS	2

FALKLAND  
ISLANDS

Previous  
Reference  
CC(82) 27th  
Conclusions,  
Minute 1

1. The Cabinet reviewed the state of the dispute over the Falkland Islands.

The Cabinet's discussion and conclusions reached are recorded separately.

COMMUNITY  
AFFAIRS

---  
Foreign  
Affairs  
Ministers  
Meeting  
Luxembourg  
16 and 17 May  
1982

Council of  
Ministers  
(Agriculture),  
Brussels,  
17 and 18 May  
1982

Previous  
Reference:  
CC(82) 26th  
Conclusions,  
Minute 3

2. THE FOREIGN AND COMMONWEALTH SECRETARY said that the European Community's decision to renew sanctions against Argentina by only a week was not as damaging as had appeared in the Press. He had been struck by the fact that support for the Government's policy over the Falkland Islands continued to be strong, both in the Community and in NATO. But the negotiations on the Mandate had been going very badly. The Commission had put a proposal to the Government to apply the 30 May agreement to 1982 in terms which were quite unacceptable. The other member states had now broken the British negotiating lever by voting through the farm price proposals by a majority despite British invocation of the Luxembourg compromise. This action, quite without precedent since 1966, raised a very serious constitutional issue. The Government ought now to re-think its approach to the Mandate negotiations. They had been so protracted and so difficult that the rest of the Community was totally fed up with the issue. For that reason he thought that, if a solution for 1982 were now obtainable on reasonable terms, the United Kingdom should accept it and then agree to a pause in the negotiations on the longer term. The Prime Minister would be discussing the question of tactics at a meeting with the Ministers concerned on Friday 21 May. The Government would also have to decide its attitude to the Luxembourg compromise. The essential requirement was to clarify what constituted an important national interest. He did not wish to excuse what the other countries had done at the Agriculture Council, but it was arguable that the important British national interest to secure a budget settlement was offset by their important national interest to fix prices immediately.

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that he had warned the Cabinet last week that there was a real chance that the Luxembourg compromise would be broken. He was convinced that France and Germany had agreed in advance to a Commission plan to force through the votes on the farm price package. Even though the Foreign and Commonwealth Secretary had said in Luxembourg that the United Kingdom was willing to negotiate on the basis of the Commission proposal, the President of the Commission had reacted in a way which would only have been appropriate if the Foreign and Commonwealth Secretary had rejected their proposal out of hand. This reaction was then telephoned through to Brussels, and Monsieur Davignon had used it as a pretext to organise the Agriculture Ministers of the other

member states, excluding Denmark and Greece, to agree to vote against us in the Agriculture Council. France, Germany and Italy were now saying that they would continue to observe the Luxembourg compromise in respect of their dealings with each other. So the United Kingdom would not be able to force a vote when other countries were defending what they saw to be their interests in the way that they had forced a vote to override what British Ministers saw as Britain's national interest. The Cabinet should realise the extent to which France now dominated the Community. They could secure the co-operation of both Germany and the Commission, under Monsieur Thorn and Monsieur Davignon, to force through decisions in their national interest and against the United Kingdom's. The Government would have to make an objective assessment of what courses of action to defend the national interest were practicable in these circumstances.

THE PRIME MINISTER said that the Heads of State and Government had agreed at Lancaster House in November 1981 that progress would be made in parallel on the outstanding questions on the Mandate. President Mitterrand had now achieved the change in the Common Agricultural Policy which he wanted for small milk producers, but had blocked progress on the United Kingdom's part of the agreement. No other Head of Government had warned her in advance that they intended to force through a change in the rules on the Luxembourg compromise; in particular President Mitterrand had not done so during his visit to London on 17 May. The Government would need to think out its position, but it was important not to be rushed into an immediate response.

In discussion it was reported that the Opposition had made a formal request for a debate on the issue next week. The Government line in the debate would have to be decided in the light of the outcome of the Foreign Affairs Council on 24 and 25 May.

The Cabinet -

Took note.

PARLIAMENTARY  
AFFAIRS

3. The Cabinet were informed of the business to be taken in the House of Commons during the following week.

Cabinet Office

20 May 1982

**SECRET**

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

COPY NO 31

CABINET

LIMITED CIRCULATION ANNEX

CC(82) 28th Conclusions, Minute 1

Thursday 20 May 1982 at 11.00 am

FALKLAND  
ISLANDSPrevious  
Reference:  
CC(82) 27th  
Conclusions,  
Minute 1

THE PRIME MINISTER said that Argentina had responded the previous evening to the British proposals for the settlement of the dispute over the Falkland Islands set out in C(82) 24. The Argentine Government had put forward their own proposals which amounted to a total rejection of Britain's. They omitted the previously agreed language that the outcome of the future negotiations on the status of the Islands should not be prejudged. Other unsatisfactory features were the inclusion of the Dependencies; the provisions for withdrawal of forces to their normal operating areas; and the arrangements for the interim administration, which would be the exclusive responsibility of the United Nations without any place for the representative institutions of the Islands. The United Nations Administrator would merely be advised by equal numbers of Falkland Islanders of British origin and Argentine residents in the Islands. Argentine citizens would have full rights of residence and of ownership of property. Finally, if no long-term settlement had been reached by 30 June 1983, the United Nations Secretary General would have to report to the United Nations General Assembly, which would determine the lines of the final agreement. Later on 19 May the United Nations Secretary General, Mr Perez de Cuellar, had himself handed a paper to the British and Argentine representatives setting out his own suggestions for resolving the outstanding questions in the negotiations. These suggestions were much closer to the British than to the Argentine position, but they did not contain detailed proposals on withdrawal, verification and non-reintroduction of forces. The Dependencies were included in the future negotiations but excluded from the withdrawal process. The Argentines would probably agree that the Secretary General's paper was a basis for negotiation, and would then continue their tactics of prevarication. This was clearly unacceptable. The United Kingdom Representative at the United Nations, Sir Anthony Parsons, had made it clear when presenting the British proposals that these represented the limit that the Government were prepared to go in their search for a settlement and that the proposals would be withdrawn if Argentina did not accept them by 19 May.

**SECRET**

Meanwhile, there could be no question of delaying British military plans. The stage had been reached when military operations could be stepped up. The Defence and Oversea Policy Committee Sub-Committee on the South Atlantic and the Falkland Islands had given the necessary authority to prepare for this two days earlier. It was now for the Force Commander, Admiral Sir John Fieldhouse, to decide when and how to make use of the various options available, which ranged from further commando raids to a full-scale landing. The Chiefs of Staff had been consulted by the Sub-Committee on whether operations to repossess the Falklands were militarily feasible, and if so on how best they should be conducted. The advice received from the Chiefs of Staff was unanimous. They agreed with the Force Commander that repossession was militarily feasible, and that the plan which he had devised for achieving it represented the best option available; and they were confident it could be successfully carried through. They agreed with him that a prolonged blockade of the Islands was not a viable option; that a landing in force would therefore be necessary; and that this should take place at an early moment of his choosing, in the light of local circumstances including the weather. Once ashore they were confident that British forces would be able to press ahead in order to achieve either satisfactory conditions for a ceasefire and Argentine withdrawal or the surrender of the Argentine garrison. They hoped that an Argentine collapse following the landing would make it unnecessary to use force to complete repossession of the Islands; but they were satisfied that the latter course would if necessary be possible. They were aware that once landing and repossession operations began there would be intense international and other pressure for a ceasefire; and therefore that the longer such operations took, the harder it would be to secure the objectives desired. The Chiefs of Staff had not sought to disguise that risks will be involved, as in all military operations. But they regarded the risks as militarily acceptable. The risks would be most severe at the time of the landing, with air attack as the main danger. Attrition of Argentine air and naval forces had been less than was hoped, because they had so largely stayed in or near their bases. If the Argentines launched an all-out air offensive against the landing, when British ships would be in a known position and within range, full air defence of British forces could not be guaranteed; some aircraft would be liable to get through and further naval losses could occur. But the landing plan took full account of this danger and was designed to minimise it. Because air superiority was one of the principles of modern war and had not yet been achieved, the Chiefs of Staff saw larger risks in the early stages of the landing than would normally be considered appropriate in an operation of this sort. But they believed that these risks should be taken and any resulting casualties to troops and ships accepted. The Chiefs of Staff could not predict what losses would in fact be involved; but they believed that these would be militarily tolerable. Once the landing was established the Chiefs of Staff expected the risks to decrease markedly, although in certain circumstances British forces could face problems of attrition, both on land and in enforcing the Total Exclusion Zone to prevent Argentine resupply.

The Attorney General's advice was that the military operations now contemplated were legally compatible with the self-defence provisions of Article 51 of the United Nations Charter and with Security Council Resolution No 502.

THE CHIEF OF THE DEFENCE STAFF said that he had only one point to add. The Chiefs of Staff had not been denied political authority for any military activities they considered necessary. They foresaw no requirement for the bombing of mainland Argentina.

In discussion it was accepted that the Government could not allow Argentina to continue with the tactic of prolonging the negotiations in order to weaken the political, economic and military pressure which the United Kingdom could bring to bear. Nevertheless it would be important to avoid giving the impression of rejecting the United Nations Secretary General's proposals, which had a number of satisfactory features. The Secretary General could be said to have given his moral endorsement to the British position; and the Government could stress the wide gap between the British and the Secretary General's proposals on the one hand and the Argentine proposals on the other. In order to ensure that the Argentines could not credibly claim that they were willing to accept the Secretary General's proposals as a basis for negotiation, it would be important to emphasise to international opinion, which would be critical of further military action to repossess the Islands, that the Government had moved a long way in order to reach a peaceful solution. International demands for a ceasefire would have to be faced; but once full-scale military operations began the principal objective must be their rapid success. To begin with, at any rate, it would be advisable to present further military action as a continuation of the military pressure which had been brought to bear since the crisis began, rather than as a full-scale landing.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet unanimously endorsed the authority given to the Force Commander, at such time as seemed to him right on military considerations; to take the necessary military steps to repossess the Falkland Islands, in the light of the clear rejection by Argentina of Britain's final proposals for a settlement. The British draft agreement, together with the letter to the Secretary General making clear that the Dependencies were not covered by the draft interim agreement, and an explanatory memorandum, would be laid before Parliament that day in time for the forthcoming debate in the House of Commons. Sir Anthony Parsons would be instructed to tell the United Nations Secretary General that his paper differed fundamentally from the Argentine position, and even if it were acceptable to both parties as a basis for negotiations, the negotiations would take many days if not weeks; meanwhile, the United Kingdom's military options could not be affected. The Cabinet would be united in facing the risk of military losses and the consequent problems of maintaining public morale. They had the fullest confidence in the Chiefs of Staff and in the Commanders and men of the British Task Force. They sent them every good wish for the success of the task in hand.

The Cabinet -

1. Approved military action to repossess the Falkland Islands.
2. Invited the Foreign and Commonwealth Secretary to respond to the United Nations Secretary General on the lines indicated in the Prime Minister's summing up.
3. Warmly endorsed the Prime Minister's tribute to the Armed Forces.

Cabinet Office

24 May 1982