



10 DOWNING STREET

THE PRIME MINISTER

History of Falklands
in Volume 1 Unit

Cost

20th Sept. 1979. Memo from Peter to
me asking to negotiate on sovereignty
with Argentines. Annex including
Pulson estimates, Possibilities for
economic success open to Argentines,
Previous Party Answer by Labour
Cost on negotiations 26 Apr. 1977.
and Sovereignty Options.

I noted on the Memo "I could
not possibly agree to the line the
F.S. is proposing. Nor would it
ever get through the H of C. Let
alone the Parliamentary Party."

21st Sept. 1979 Memo from John Hunt. - Further pressure
to negotiate

I wrote "I cannot possibly agree to the
proposed course of action". "I do not think
Lord C is in any doubt about my views".



10 DOWNING STREET

THE PRIME MINISTER

26th Sept. 1979. Letter from Francis - Mr. Pakenham
said - he was prepared to
negotiate.

News from Geoffrey Howe - who
did not like the proposal.

12th Oct 1979 - Advance of) Paper from F.O.
I was literally entitled - said it
was designed to reach certain
conclusion.

4th Nov 1979
Cabinet Minutes

- Peter reported on visit to
U.N. Secretary - spoke to
Argentine Foreign Minister "expressing
our wish to make progress provided
the wishes of the local inhabitants
were respected".

12th Nov 1979

Further letter from F.O. asking us to
agree to meeting between Nick Ridley
and Mrs. Foreign Argentine Minister
Agreed to review - after "Dutton"
and Washington.



10 DOWNING STREET

THE PRIME MINISTER

26th January 1980 Further news from Peter
relating to discussion in
OJ on 29th January. "Ought
to start exploratory talks with
Argentine soon. To continue to
stall would be risky..."

Andalucía now restored.
Jaramilla climate for discussion

29. Jan 1980. Discussion in OJ.

F.O. reported that Islanders had
indicated they were in favour of
a resumption of talks. It was made
clear to the Argentinians that nothing could
be agreed unless acceptable to the Islanders.

On that basis I summed up 'no legal
basis' for any surrender of sovereignty
As Islanders wanted talks - please
state that in writing, and then propose
terms of reference for talks.

for Fish

- Message to Islanders

17th Feb

- Message from Baker (Chief Governor)
saying (Islanders accept partnership in talks)



10 DOWNING STREET

THE PRIME MINISTER

22 Feb 1980.

News from F.O. suggesting talks
not too long after Easter.

27th June 1980

01) reporting on Nick Ridley's
talks which went well in Madrid
(Argentine - us plus island committee)
What next?

2 July 80

- 01) - 1 agreed in summary
to exploring talks on confidential
basis

4 Nov. 1980.

6 -

01) paper - Time to sound out Islanders
~~Disunion~~ Argentine judge paper to
republic ^{about here.}

26th Nov

Telegram from Resolute reporting
initial Ridley talks with Islanders
No support for joint admin.
Need more time to think - very skeptical

2 Dec 1980.

News statement in House
possible base - Any eventual settlement
would have to be endorsed by
Islanders and by this House.

Went very badly in House



10 DOWNING STREET

THE PRIME MINISTER

4 Dec 1980.

01) - To report further on islanders
considered necessary

PM's summary of "It should be made quite
clear that if the islanders favoured
maintaining the status quo they would
fully supported". Also to investigate
adequacy of interest rate paid on
islanders savings, and arrangements for
raising capital

Immigration position of islanders to be
considered by Home Office.

27 Jan 1981.

Telegram from William Buenos
Aires

- says Argentinians do it like

29 Jan 1981

"Governor" at Meeting of Mission conference

01) F.S. Argentinians want freeze but
have "ruled-out" loan bank

Agreed further negotiations with
islanders represented.

Look further at Savings deposits.

23-24 Feb 1981

- Talks in New York.

Islanders opposed for freeze rejected outright
by Argentinians. Islanders say they want to



10 DOWNING STREET

THE PRIME MINISTER

Continue British way of life.

29 March 1957. Message of congratulation
to President - Uelen.

14 Sept. 1957. Memo for - Peter. Position not-
good.

24th Sept. 1957. Lord C. Butler's memo on
cost of we have to provide
communications services &
fuel supplies.

for October. Lord C. to Pat Stanley.
Must respond to American request-
for talks before end of year.
Up to the Americans to propose new ideas.
They requested 'freeze'.
Our role to listen. But must
continue dialogue.

24 Nov 1957. Memo for - Lord C.
Security interests - determined by FIC.
1. leaders can visit - in U.K. at going out -
Possible arrangements for raising capital.

2 Dec 1957. Memo for - Peter. Talks in Geneva with



10 DOWNING STREET

THE PRIME MINISTER

Richard here. Little room for manoeuvre because
Lizanders implicitly opposed to any deal over
sovereignty. If communication cut it would
cost £6 million to keep them going from
Britain. Britain should have to afford it
if need be.

15 Dec 1981

Tel to Buenos Aires
^{from card}

From - No change written in postponed

of talks - of talks postponed until

January - Argentines might prefer

New York.

To B.A. Postponement due to new
Argentine offer - Pres. here.

18 Dec. 1981

- Talks suggested in New York -

2nd half of Feb. Write for

Richard here.

- I refused to send message to

Gatheri.



10 DOWNING STREET

THE PRIME MINISTER

15th Feb 1982 - News from Lord C to me.
Tough new note from Argentines -
they are interested in sovereignty,
they deny relevance of Islanders
wishes or disputes from interests
Our response - we remain in no doubt
about our sovereignty -
I added - "Islanders wishes are
paramount".
Their note referred to Islanders dependence
on services provided by Argentines
They wanted a "permanent negotiating
committee" to meet monthly in
Capitals to conclude work within a
year. Working groups to look at
particular aspects of dispute -
Expected difficult session in
New York and return to oil in March.

28th Feb 1982. Telegram from Tony Parsons
giving details of joint communique
"Cordial positive spirit" Two sides
reaffirmed resolve to find a solution to
sovereignty dispute ^{to be referred back}



10 DOWNING STREET

THE PRIME MINISTER

1 March 1982

Telegram from Nils - regarding
Richard King's talk with Gendres
that day - atmosphere increasingly
polarised - would Gendres expect of him
to do it. Talk in press of
military action although "we did
not believe this represented needs of
Argentine government."

2 March 1982

Report from Williams of
reaction in B-Spanish -
Unexcused for some parts from
on communique. If talks do
not make progress - either recourse to
U.N. - various measures which could
affect bilateral relations - disavowal
- suggestions of map force.

3 March 1982

Telegram from Nils Henderson
about Gendres' talks to Argentines.
They were non-committal but did
not give Gendres the impression that
they were about to do anything drastic

3 March 1982

Telegram from Williams regarding
La Pampa's reaction - a series of steps
if no progress made. I would advise



10 DOWNING STREET

THE PRIME MINISTER

5 March 1982
Telegram "We must make contingency plans" no
Campton to B.A.

"Political impossibility for us to
negotiate against a background of
threats"

5 March

- from Williams B.A.

- ① Interview with Bos "an exchange of
concessions" M.P.'s obvious
embarrassment over recent outbreaks - need
every weapon to meet the
pressure for withdrawal.
- ② Interview with Colin Reader
who repeated American
disillusion with progress
but ended by denying "that the
American Govt worked in any way to
threaten and by admitting with
regret that they could not always
prevent unhelpful press treatment."

He continued he still wanted approval
of the New York Daily Paper.



10 DOWNING STREET

THE PRIME MINISTER

8 March 1982 - Passage to Governor about
proposed Tel. to R.A. concerning
basis of letters. - Island Committee's
views sought. - Note importance of
keeping letters going.

8 March 1982 John to John Holmes R.C.O.,
I reminded 'We must make contingency
plans' - He suggested that some in
(open to us).

11 March 82 - Telegram from Director
reporting Lord Dunder visit.
Phipps returned to court
support landing of Argentine
A-1H from Falklands at Stanley. "This
might indicate the sort of effort
pressure which the Argentines might feel
tempted to use."

12 March 1982 - Asked John Note previous Monday
how quickly ~~frigates could be~~ RN ships could be
deployed to Falkland Islands
letter - not very encouraging. Would take
20 days



10 DOWNING STREET

THE PRIME MINISTER

17 March - Helpful reply from Port Stanley
and Islanders about Peter's
proposed message

"Gratitude for P.C.'s support and
for the clear and strong wording of
your message."

20th March - Message from Peter to
Navy & Air Force about illegal
landing on S. Georgia. Lindemann
to go to S. Georgia. [She had been
having for 20 minutes on 21 March]

21 March From B.A. to F.C.O.

Official Air Force response that
significance of affair should not be
exaggerated. "Party ship would be
leaving S. Georgia today".

22 March - from Port Stanley - message from
Lord Bunsen who had visited
B.A. and Antartic base. Had gained
impression from Costa Under that
open attack unlikely but casual landings



10 DOWNING STREET

THE PRIME MINISTER

Prokelle - he could not answer for
such independent operations
16 March 82 - Tel. from Williams

Recommend if anyone el. bank -
position be regularised retrospectively
23 March to B.A. Please speak to Colin Tucker
for R.C.O. - sharp escalation in U.K.

i. essential that remaining
Argentine personnel be removed
without delay.

Main objective to prevent this
issue for gaining political momentum
23 March for B.A. Colin Tucker trying to be
helpful - but is on short rein.

24 March 1982 Memo for Peter to Defence.
Lindemann must stay for
another year.

Also, would do me suggestions
1) contact by plans for the time
urgently
2) message to Minister Foreign Affairs



10 DOWNING STREET

THE PRIME MINISTER

26 March 1982 From Port Stanley.

Lindemann reports Bahía Paraiso departed Lark. Foggy conditions make it impossible to know whether anyone left there.

From Lindemann

Argentine party at Lark. Ucan that now established for long stay. Operation planned as Bahía Paraiso came from Antártica not Argentina.

26 March 1982. Note for MOD on military options. - Mission force

to mission - Linnick's 11th HMS with an LPD and 2000. 4 destroyers/frigates. SSN supply ships and manpower up to brigade strength.

If faced with mission - no certainty. Such a force could relate to the dependency.

28 March

Hand to FLO - From Davidoff a grant to assist sovereignty claim over S-Georgia.



10 DOWNING STREET

THE PRIME MINISTER

28 March 1982 ① Williams from B.A.

Notes reports in press that
Endurance sent to 'take off' men
from S. Georgia. Argentine could not
now recede - would look like clashes.

Will not want special energy. Would
rather work through Williams.

② Suggestions about how to remove
Argentinians from S. Georgia

③ From Hunt to P.C.O. regarding
Captain Bowler of Endurance having
special landing well - and equipment -
supplies off-loading at Leith

④ From P.C. to Washington

Argentine wants to
revert either by us to remove them, or
from S. Georgia. - Not asking for special
help from U.S. except to cool Argentinians
down.

⑤ Details to me from P.C.O. about
Dunlop's contract



10 DOWNING STREET

THE PRIME MINISTER

Sunday 28th March Telephone call to Peter.

Monday 29 March Dismissed dispatch of SSN
with Peter at Norfolk. Telephone
MOJ from Brussels. In meeting
MOJ had thought same way
Spartan - started to send
30 March Possible 7 destroyers/
frigates exercising off Gibraltar

Tuesday 30th - Peter - statement in House
of Commons in House.
Minute from John Nolt
" There is no present - no sign
of (any) preparation to invade the
Falklands"



10 DOWNING STREET

THE PRIME MINISTER

March 31st

- Letter from me to Pagan
referring to Intelligence Reports
asking him to advise

- Telegram from Nicks camp
seen Hay about Scherpin &
intelligence reports of invasion force
"He (Hay)" repeated several times
that he had been given no
intelligence of that kind

April 1st OJ)

- Lichmann etc - & contingency
plan for transport.

Att-1, is possible to support motion in
Security Council with Intelligence Reports

Told - No.