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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 THURSDAY 27 MAY 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 Admiral of the Fleet Attorney General Sir Terence Lewin

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

Sir Robert Armstrong Mr R L Wade-Gery Mr A D S Goodall Brigadier J A C G Eyre

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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 it was important to make the earliest possible progress with the operations on land. Specific operational decisions, however, could only be taken by the military commanders. There could be no objection, if it was necessary, to transferring military assets, eg Harrier aircraft, from Germany to the South Atlantic.

The Sub-Committee -

Took note.

2. POLITICAL ISSUES

The Sub-Committee had in front of them telegrams nos. 856-8 and 868-9 from the British Representative at the United Nations, Sir Antony Parsons, reporting the latest diplomatic developments in New York; telegrams nos. 1915 and 1921 from Her Majesty's Ambassador in Washington, Sir Nicholas Henderson, on the position of the United States Government; and other telegrams dealing with Latin American attitudes.

THE FOREIGN AND COMMONWEALTH SECRETARY said that with support from both Britain and Argentina the Security Council had on 26 May adopted Resolution No. 505. This was the amended Irish draft, with further amendments as agreed. It called on the Secretary General, Sir Perez de Cuellar, to use his good offices with the parties to negotiate mutually acceptable terms for a ceasefire and to report within a week. Sir Antony Parsons now needed instructions for a meeting with the Secretary General later that day. He would need to adopt delaying tactics. But it was not clear whether the Secretary General would be ready to co-operate. Diplomatic delay was becoming steadily more difficult as time passed without the military situation coming to a head. As the Washington telegrams showed, urgent consideration needed to be given to Britain's objectives following repossession of the Islands.

In discussion it was argued that Britain should stand ready to negotiate if the Argentines agreed to withdraw their forces. Such negotiation was required by Resolution No. 502. Even if the Argentines had to be forcibly evicted, negotiation would have to follow, not least because the Islands' future security could hardly be provided for without American and other international help. It would be a major burden for Britain to have to provide for that security on her own; and without it, economic development would be impossible. The United States' major interest was to safeguard the stability of Latin America. this, it was argued that British public opinion would not understand if after the sacrifices which had been made the Government appeared ready to negotiate with Argentina. Major diplomatic concessions could not be contemplated when British troops were risking their lives to achieve repossession. The immediate aim must be to restore British rule. Resolution No. 502 would then no longer be applicable. cessation of hostilities could be secured as the price of repatriating Argentine prisoners. In the longer term independence under some form of international security guarantee was probably the only real option. Strong pressure would need to be exerted on the Americans to take part in providing such a guarantee, as Britain had done in the case of Sinai. The potential for economic development in the Falklands seemed promising and would need careful evaluation. Anglo-Argentine co-operation over possible oil resources in the area need not be ruled out.

THE PRIME MINISTER, summing up the discussion, said that Sir Antony Parsons should seek to buy time. In speaking to the Secretary General he could stress British flexibility in negotiation, by contrast with Argentine obduracy. He could ask the Secretary General to press the Argentines to carry out Resolution No. 502 by withdrawing from the Islands; and he could make clear that a change in Argentina's position on this central issue would transform the whole situation. One way of carrying matters forward might be for the Secretary General to send envoys to Buenos Aires and perhaps also to London. Britain's essential position, however, was not negotiable. British administration had to be restored, after which political development in the Islands could be carried forward in accordance with Article 73 of the United Nations Charter. Arrangements for an international security guarantee would need to be further explored with the United States Government.

The Sub-Committee -

- 1. Invited the Foreign and Commonwealth Secretary to instruct Sir Antony Parsons in accordance with the Prime Minister's summing up.
- 2. Agreed to resume consideration of longer term issues and objectives at their meeting on 28 May.

Cabinet Office

27 May 1982