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OD(SA)(82) 51st Meeting

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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
TUESDAY 11 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
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

Sir Robert Armstrong
Mr R L Wade-Gery
Mr R L L Facer
Brigadier J A C G Eyre

SUBJECT

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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 the handling and performance of the media were continuing to cause concern. Further consideration would need to be given to the way in which the Government's policy objectives were publicly presented. As regards military operations, the case of the FV Narwal had underlined the importance of Argentine surveillance and intelligence-gathering vessels being prevented from continuing their task; under the revised Rules of Engagement approved by the Defence Secretary minimum force would be used but the sinking of such vessels might result.

The Sub-Committee -

1. Invited the Chancellor of the Duchy of Lancaster, in consultation with the Home Secretary, Foreign and Commonwealth Secretary and Defence Secretary, to make proposals on the public presentation of Government policy, as indicated by the Prime Minister in her summing up.

2. Took note that the Defence Secretary had approved revised Rules of Engagement in respect of Argentine surveillance vessels, as set out in the letter which his Private Secretary had sent to the Prime Minister's on 10 May.

2. DIPLOMATIC ISSUES

The Sub-Committee had before them telegram no. 377 from the Foreign and Commonwealth Secretary to the United Kingdom Mission to the United Nations in New York; telegrams nos. 703-5 from the United Kingdom Mission reporting the current state of the negotiations at the United Nations; and telegrams nos. 1686 and 1690 from Her Majesty's Ambassador in Washington reporting the views of the United States Secretary of State, Mr Haig.

THE PRIME MINISTER, summing up the discussion, said that the British Representative at the United Nations, Sir Antony Parsons, was clearly right to be pressing on the key issue of whether Argentina was prepared to leave unprejudiced, in an interim settlement, the long-term question of sovereignty. This should help to establish whether the Argentines

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were negotiating in good faith and to wrong-foot them publicly if they were not. As regards other outstanding issues, he should welcome the proposal of the United Nations Secretariat that the Executive and Legislative Councils should be retained in an advisory capacity; he should continue to insist on the exclusion of the Dependencies; he should not at this stage agree that British forces should withdraw more than 200 miles, although a somewhat larger figure (eg 350 miles) might in practice be acceptable; he should reject the Argentines' proposals on freedom of residence; and he should adopt a cautious attitude towards their proposals on observers and flags. The position paper tabled by Argentine in New York did not represent a serious attempt at compromise. Military operations and decisions could not be held back while the United Nations negotiations continued. The risk of such operations precipitating a diplomatic breakdown was not great in the immediate future. Sir Antony Parsons should not therefore be asked to try either speeding up the negotiations or slowing them down; this should facilitate his efforts to ensure that any breakdown was clearly seen to be Argentina's fault.

The Sub-Committee -

Invited the Foreign and Commonwealth Secretary, in sending instructions to Sir Antony Parsons in New York, to be guided by the points made by the Prime Minister in her summing up.

3. LONGER TERM ISSUES

The Sub-Committee had before them a note by the Secretaries (OD(SA)(82) 38) covering a memorandum by Sir Michael Palliser on British objectives in relation to a longer-term settlement in the Falklands; and a note by Foreign and Commonwealth Office officials (OD(SA)(82) 43) on United Nations trusteeship and administration.

In discussion the point was made that the Government needed to decide whether their aim was a longer-term settlement acceptable to Argentina or one imposed against her will. The latter would involve costly continuing commitments for Britain. It would not be possible to justify extensive military expenditure in the Falklands context when Britain's

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overriding need for improved defence against the Soviet threat was so inadequately met. A solution unacceptable to Argentina would also be less likely to command international support, which would be particularly important if independence were contemplated (as it had been in the case of Belize). Among solutions which might be acceptable to Argentina, an extension to the Falklands of the provisions of the Antarctic Treaty would have the possibly useful effect of freezing both British and Argentine claims to sovereignty. Against this it was argued that Argentina had already rejected a sovereignty freeze. Independence might represent a reasonable compromise, under which neither side would have to accept that the other had got its way on sovereignty. Argentina's aggression had now compromised whatever moral claims to sovereignty she might previously have had. Britain should not set her sights too low. Extensive economic development of the Islands and a larger population were not impossible; communications could be made independent of Argentina if the runway were extended; an air defence system could be installed; and Argentina might in any case not remain implacably hostile for ever, if the present crisis brought her only serious military reverses and if her people were better informed of the justice of the Islanders' historic rights. United Nations trusteeship was an attractive idea. But there seemed to be serious drawbacks. Non-discrimination under Article 76 of the United Nations Charter might open the way to a flood of Argentine immigrants; and unless the Security Council agreed to supervise the trusteeship, which the Soviet Union could veto, that responsibility would rest with the General Assembly, where there was a majority sympathetic to Argentina. It might nevertheless be possible to devise some form of United Nations administration and/or some form of multinational guarantee. Commonwealth assistance could not be ruled out; the present Secretary General of the Commonwealth, Mr Ramphal, might as a Guyanan be particularly sympathetic because of the implications for Venezuela's claim to part of Guyana.

THE PRIME MINISTER, summing up the discussion, said that further consideration would need to be given to Britain's aims and interests in relation to a longer-term settlement.

The Sub-Committee -

Took note.

Cabinet Office

11 May 1982

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