

PM Hassan.

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PRIME MINISTER

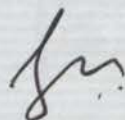
Following last night's discussion in Cabinet, I have explored the freezing of Argentine financial assets in this country. While there is of course some unavoidable risk of damage to London's position as a financial centre, such action will in present circumstances be widely understood.

I am advised that it would be appropriate to lay an Order under the Emergency Laws (Re-enactments and Repeals) Act 1964 which would have the effect of preventing the movement of gold, securities or other funds held in this country by the Argentine Government or Argentine residents. While it would not in practice be feasible for such funds to move before Monday, I would see advantage in our laying the Order today. I attach a text which requires the signature of two Lords Commissioners: I suggest that you and I should sign it forthwith.

That done, you might wish to include the following passage in your speech in the House this morning:-

"As an appropriate precautionary, and I hope temporary, measure, the Government has taken action to freeze Argentine financial assets held in this country. An Order will be laid before Parliament today, under the Emergency Laws (Re-enactments and Repeals) Act 1964) blocking the movement of gold, securities, or funds held in the United Kingdom by the Argentine Government or Argentine residents."

Copies of this minute go to the Foreign and Commonwealth Secretary, the Attorney General and Sir Robert Armstrong.



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3 April 1982