



Foreign and Commonwealth Office

London SW1A 2AH

13 April 1982

Dear John,

Falklands: Commons Debate on 14 April

I enclose a draft speech for the Prime Minister which should take slightly less than twenty minutes to deliver. Mr Pym has not seen the draft. The speech is based on the assumption that the change in the Argentine position conveyed by Mr Costa Mendez to Mr Haig before lunch today will leave open the possibility of a diplomatic solution.

The draft takes account of points made by Mr Healey in the media during the weekend, in particular that the chances of a peaceful solution are increased by wise deployment of armed strength (I enclose a transcript of his interview on the World This Weekend). The draft does not mention Mr Healey's points that Argentine withdrawal might be succeeded by a UN administration and peacekeeping force or that sovereignty over the Islands is less important than the wishes of the Islanders themselves.

I am copying this letter with enclosures to the Private Secretaries to the Defence Secretary, the Home Secretary, the Chancellor of the Duchy of Lancaster and Baroness Young.

Yours ever

John Holmes

(J E Holmes)
Private Secretary

*Any of those who call for peace
but that people of the island
were not by violent force.*

A J Coles Esq
10 Downing Street

DRAFT SPEECH

1. In this time of difficulty over the Falkland Islands it was only right that the House should be recalled early to be informed of the latest developments. Honourable Members will expect to hear what action the Government are taking to achieve the objectives which were explained here last week. I hope and believe that the House will then be able to give clear support to this action.

2. As I have explained to this House, our objective is to see that the Islands are freed from occupation and are returned to British administration at the earliest possible moment. The Islanders must be liberated from the domination of an alien military régime, in accordance with their own wishes and with the Security Council Resolution.

3. Our strategy has been based on a combination of military, economic and diplomatic pressure. That pressure has had some influence. There have seemed at times to be signs that Argentina's leaders were very concerned at the approach of the British Task Force. And the decision of the European Community and of other countries to ban all imports from Argentina has come as a particularly severe blow to them. So has the almost universal disapproval that their action has aroused across the world.

4. From the very beginning it has been clear that the United States would have a key role to play in the search for a peaceful outcome. The closeness of understanding

between/

between Britain and America does not need to be described. But America also has good relations with Argentina. This puts her in a unique position to be helpful.

5. The American Secretary of State, Mr Haig, has now paid two visits to this country. He has undertaken a gruelling programme of shuttle diplomacy and we admire and welcome his efforts. His first visit last Thursday provided the opportunity for the Government to make clear their determination to secure Argentine withdrawal from the Falkland Islands and dependencies, by whatever means might be required. Mr Haig took this message to Buenos Aires, where he held talks with the leaders of Argentina. ^{//6} He was back in London for further talks on Easter Monday and yesterday. The discussions were long and detailed. Mr Haig presented specific ideas which took account of his earlier discussions. The Government saw substantial difficulties in parts of these proposals. Yet they seemed to provide a basis for progress in accordance with Security Council Resolution No 502. We therefore made suggestions for various alterations to the proposals. Our many hours of talks with Mr Haig on Monday were constructive. At the end of the day he was prepared to return to Buenos Aires for further talks in pursuit of peace. ^{//7.} Then, late that evening Argentina put forward certain suggestions. At one point it seemed that these might endanger Mr Haig's efforts. But happily Mr Haig learned from Buenos Aires yesterday that the Argentine position was not exactly as had been ^{understood} ~~described~~. [He has therefore returned to Buenos Aires and we wish him well in his further discussions with the Argentine authorities.]

C./

8. It is too soon to assess the chances of a peaceful solution to the present crisis. But I can assure honourable Members that the British Government will continue to do everything ^{possible} to promote a settlement in accordance with the resolution of the United Nations Security Council. If there is talk of interim arrangements, I can assure the House that they will be integrated in a wider agreement including negotiations about the future of the Falkland Islands and dependencies. The Government's policy in the ^{all} negotiations ^{about the immediate problems and the future} will continue to be guided by three major considerations.

9. ~~First, we~~ shall continue to insist on complete Argentine withdrawal from the Falkland Islands and dependencies. We shall remain ready to exercise our right to resort to force in self-defence until the occupying forces leave the islands. Our naval Task Force ~~has not been halted or slowed. It~~ sails on towards its destination. We remain fully confident ^{of} its ability to take whatever measures may be necessary. Meanwhile ~~the very existence of the Task Force~~ and its progress towards the Falkland Islands re-enforce the efforts we are making ^{for a diplomatic solution} ~~to put pressure on Argentina to be reasonable.~~

10. The second major consideration in our policy is that the Islands must be returned to British administration. The wishes of the islanders remain paramount and there is no reason to believe that they would prefer any alternative to the resumption of the ^{type of} ~~British~~ administration which they

enjoyed/

enjoyed before Argentina committed aggression.

11. The *third* major consideration concerns the future. We are ready to engage in fair negotiations, ~~But~~ here too the wishes of the Islanders are paramount. Any solution must take account of them.

12. Of course, one must not assume that their recent experiences will have left the Islanders unmoved. Their view of their future may change. But until they have had the chance freely to decide otherwise, the British Government has no intention of assuming that the Islanders' desires are different from what they were before.

13. I should report more fully on the action we have taken to pursue our objective of achieving Argentine withdrawal from the Falkland Islands and Dependencies.

14. At 5.00 am London time on Monday 12 April, the military exclusion zone of 200 miles around the Falkland Islands came into effect. We see it as the first step towards achieving the withdrawal of Argentine forces from the area. It appears to have exerted influence on Argentina, whose navy has been concentrated outside the zone. So far it has not been necessary to resort to force, but, as my Right Honourable

Friend/

Friend has made clear, we would be prepared to do so should Argentina make that necessary.

15. The second aspect of our pressure against Argentina has been economic. As the House was informed last week, we have been urging our friends and allies to take action parallel to our own. We have achieved a heartening degree of success.

16. Much the most significant measure has been the decision of our Nine partners in the European Community to join us not just in an arms embargo but also in stopping all imports from Argentina. This is a very important step, unprecedented in its scope and the rapidity of the decision. Last year some 30% of all Argentine exports went to the European Community. The effect on their economy of this measure will therefore be significant and the prospect of the difficulties that it will cause should influence Argentina's leaders in the present crisis.

17. I should like to record my appreciation of this act of solidarity by our European partners. Those who like to dismiss the European Community and what it stands for should take note. We brought no great pressure on our partners to follow us : we simply explained to them the situation and asked for their support. The decision cannot have been easy for them. Many of them have trade surpluses with Argentina and would suffer from any retaliation. But the spectacle of a Community country asserting its right to self-defence, and the need to strengthen our chances of doing so peacefully, rallied them to our side.

Fall
- Community
- Country.

18. Other friends too have been quick to help us. The attitude of Australia, New Zealand and Canada has been particularly firm. They have decided to ban imports from Argentina, to stop export credits and to halt all sales of military equipment. New Zealand has also banned exports to Argentina. Many other countries in the Commonwealth have supported us by condemning the Argentine invasion.

19. What have the Argentines been able to produce to balance this solidarity in support of our cause? Their Latin American neighbours have of course repeated their support for the Argentine claim to sovereignty. We always knew they would. But not one of them has supported the Argentine invasion and many have made clear their distaste and disapproval that Argentina should have resorted to aggression.

20. About the only country whose position has been shifting towards Argentina is the Soviet Union. I do not know what dark and complicated reasoning lies behind this ploy. But Soviet support for Argentina is hardly likely to shake ^{the} ~~our~~ ^{world's} ~~own~~ confidence in the justice of our cause or in our ability to achieve our objectives. ~~As for the Argentines, they will find that Soviet words are worth little and Soviet actions a poisoned chalice.~~

21. One of our first concerns has been and is for the safety of ~~these~~ ^{the} British subjects who through no fault of their own have ~~found themselves~~ ^{been} caught up in the consequences of the crisis. They include the Marines and the British Antarctic scientists on South Georgia, the British community in Argentina, and of course the Falkland Islanders themselves.

Alberville

22. We still do not know for certain what has become of the 22 Marines who were on South Georgia and of the 13 British Antarctic Survey personnel who are believed to have been evacuated by the Argentines at the same time. We have no reason however for supposing that they have come to any harm. We are still expecting that they, and the Marines since said to have been captured on the Falkland Islands, will be evacuated, as were the Marines originally taken in Port Stanley. The House will be kept informed of news on this as on all other issues.

23. The other members of the British Antarctic Survey team who remain on South Georgia are believed to be safe. We have asked the Swiss Embassy, who are looking after our interests in Buenos Aires, to approach the Argentine authorities and to seek assurances ^{on this} ~~as to their safety~~.

24. The Falkland Islanders themselves continue to suffer the difficulties of a conquered population but do not seem so far to be subject to actual maltreatment. One of their hardships is the confiscation of their radio transmitting equipment, which in an isolated community ^{& particularly} ~~makes an~~ important ~~contribution to the general welfare~~. In order to discover ^{details} more about their situation, we have asked the International Committee of the Red Cross to involve themselves as far as possible. We would welcome the sending of a Red Cross team to the Falkland ~~Isla~~ Islands which would give us news of the conditions ^{of} ~~fac~~ing the Islanders.

25. We are naturally concerned that the large British community in Argentina should not suffer unnecessarily as a result of the present tension between Argentina and this

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country. Their nervousness is understandable, in the light of the jingoistic feeling which has been deliberately whipped up by the Argentine leaders. We hope that those leaders will realise that any unacceptable behaviour towards the British residents in Argentina would only arouse further revulsion in the world and would discredit their country. Meanwhile, we have been urging British subjects to consider leaving Argentina unless they have particular reasons for staying. ~~We have not frozen the private bank accounts of Argentines resident in the UK, and we hope that the private accounts of British residents in Argentina will not be frozen either.~~

Conclusion

26. It is barely ten days since the Argentine landing on the Falkland Islands. During that period the British Government have moved with speed and vigour. We have secured a very wide degree of international support. We have mounted and despatched a naval Task Force stronger than any this country has ever put to sea. We have taken damaging economic measures against Argentina and have persuaded others to follow suit.

27. This pressure is beginning to take effect. Better conditions have been created for successful negotiations. Those negotiations are proceeding. It is too early to be confident that they will be successful. ^{but we shall persist} We shall not abandon our commitment to the Falkland Islanders. We are more determined than ever to stand by it. But we are also prepared to seek an honourable accommodation. With the support of this House I trust ^{that} we shall be successful.