

cc:- Mr Whitmore  
Mr Alexander

PRIME MINISTER

Falkland Islands: Mr. Ridley's statement

Mr. Ridley had an awful time in the House this afternoon, following his statement on the Falkland Islands (attached). I do not immediately recollect an occasion when a statement has been greeted with such a degree of hostility from the Government benches - to the extent that not a single Government backbencher supported it.

Peter Shore said that Mr. Ridley's statement was worrying. He said that what was at stake were the rights of 1,800 people of British descent, who wished to preserve their links with the United Kingdom. He asked Mr. Ridley to confirm that he had no intention of going ahead against the wishes of the Falkland Islanders, and that those wishes would have paramount importance. He said that leasing would be a major weakening of our position, and that making the idea public had strengthened the hand of the Argentinians. He called on Mr. Ridley to make it clear that the Government would not abandon the Islanders and that we would continue to support them. He was supported from both sides of the House.

Mr. Ridley said that the answer to all Mr. Shore's questions was "yes". His statement had made it clear that any further move would have to be endorsed by the Islanders and that their wishes were the predominant consideration. He confirmed the Government's commitment to the security of the Islanders.

Sir Bernard Braine said that any leaseback solution would undermine the perfectly valid title we had to the Island. He said that the precedent of Hong Kong was an insult to the Islanders. He wanted discussion of alternative means of reducing the Islanders' dependence on Argentina. He said that the Islanders were wholly British in blood and sentiment, and wanted them included in the forthcoming Nationality Bill. Mr. Ridley agreed that our title to the Island was perfectly valid. He said that the question was whether the dead hand of the dispute should be removed. It was now for the Islanders to give their own views before the Government reached decisions.

/ Mr. Russell Johnston



Mr. Russell Johnston said that Mr. Ridley's reception in the Falkland Islands had left no doubt about the Islanders' view but had left very considerable doubt about his intentions. He said that there was no support in the House for the shameful scheme to get rid of the Islands which had been festering in the Foreign Office for years and called on Mr. Ridley to disown such schemes. Mr. Ridley said that he knew better than Mr. Russell Johnston what sort of reception he had had in the Falklands and that he hoped that the Islanders were agreed on his good intentions. A large number of people there had told him that they wanted the dispute to be settled.

Peter Tapsell said that some of his colleagues would share his doubts about the tactical wisdom about putting leasing on the table at this stage. Mr. Ridley said that no offer had been made to Argentina and there was no question of negotiating about any offer on the table. The Islanders had first to discuss the question among themselves.

Julian Amery said that Mr. Ridley's statement had been profoundly disturbing. For years the Foreign Office had wanted to be rid of the Falklands. In his opinion it was almost always a great mistake to get rid of real estate and there was a British interest in the oil and gas resources in that part of the world. He compared the situation with the surrender of Aden and the Persian Gulf. Mr. Ridley said that he hoped that his colleagues knew well enough to recognise that he would not endorse schemes thrust upon him by his Department. The decision to take this initiative had been one which had been reached by the Government as a whole. It was a political move, and not part of the Foreign Office's job to devise it.

Donald Stewart said that the Government should advise Argentina that the matter was closed unless and until the Islanders themselves wished to reopen it. Mr. Ridley said that it was not for him to say what the Islanders did or did not want. Kenneth Warren said that the potential wealth of the Falklands was quite sufficient to support the Islanders and the Government ought to be giving them support to reach viability. Mr. Ridley said that it would not be possible to exploit the fishing and oil reserves until the dispute was over.



Tom McNally said that over many years the Foreign Office had been pursuing their cause over the Falklands and that it would have been better for him not to make his humiliating excursion. There would never be a majority in the House of Commons to give the Islands to Argentina. Mr. Ridley said (foolishly) that Mr. McNally seemed to think he knew more than the Foreign Office. Members on both sides indicated that they thought that he did. ]

Lord Cranborne said that the statement would cause grave disquiet among Government supporters. It would encourage the Islanders to believe that they were not supported in this country. Mr. Ridley said that he had made it clear that the Islanders did indeed have our support.

Douglas Jay said that it was perfectly clear that the Islanders had no wish for a change in their present situation, and he asked why the Foreign Office could not leave the whole matter alone. Mr. Ridley said that a lot of Islanders believed it was to their own advantage to settle their dispute.

Robin Maxwell-Hyslop raised again the question of the Nationality Bill and said that Mr. Ridley appeared to have told the Islanders more than he was prepared to tell the House of Commons. He also raised the issue of trade with Chile. Mr. James Johnson welcomed the statement that the Islanders would be the arbiters of their own descent. He said that Mr. Ridley's duty was to ameliorate their conditions, and he asked what was being done to stimulate fishing ventures. Mr. Ridley said that the essential thing was to remove the dead hand of the dispute.

Matthew Parris asked why the dispute precluded help to the Islanders, and Mr. Ridley said that the possibility of declaring a 200 mile fishing zone was remote while the dispute continued. It was also true that investors were fearful about putting money into the Islands in the present situation. John Home Robertson asked whether the Government proposed to sell the freehold to Argentina as part of their policies to reduce the PSBR. Mr. Ridley said that it was impossible to go into details at this stage but that it was not envisaged that money would change hands.



William Shelton, in a very damaging intervention, asked whether if the Islanders went for the status quo Mr. Ridley would accept that the Government should help them. Mr. Ridley said that he was not prepared to answer hypothetical questions and that we would have to wait and see. David Lambie said that the Islanders had a deep suspicion of the Foreign Office and Foreign Office Ministers. Mr. Ridley said that he begged to differ and that he had received a very friendly welcome.

Peter Shore returned to Mr. Shelton's question and said that Mr. Ridley had given no clear reply. He called on him to do so. Once again Mr. Ridley declined to answer a hypothetical question.

John Farr rose at the end of all of this to say that in view of the intense dissatisfaction felt on the Government benches about the statement, he would seek to raise the matter on the Adjournment.

Although very different in kind, this is the worst reception a Government statement in the House has had since Keith Joseph's on the appointment of Ian MacGregor.

MJS

2 December 1980



STATEMENT ON FALKLAND ISLANDS MADE BY MR NICHOLAS RIDLEY,  
MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS ON  
TUESDAY 2 DECEMBER 1980 IN THE HOUSE OF COMMONS

With permission, Mr Speaker, I wish to make a statement on the Falkland Islands.

We have no doubt about our sovereignty over the Islands. The Argentines, however, continue to press their claim. The dispute is causing continuing uncertainty, emigration and economic stagnation in the Islands. Following my exploratory talks with the Argentines in April, the Government have been considering possible ways of achieving a solution which would be acceptable to all the parties. In this the essential is that we should be guided by the wishes of the Islanders themselves.

I therefore visited the Islands between the 22nd and 29th of November in order to consult Island Councillors and subsequently, at their express request, all Islanders, on how we should proceed. Various possible bases for seeking a negotiated settlement were discussed. These included both a way of freezing the dispute for a period or exchanging the title of sovereignty against a long lease of the Islands back to Her Majesty's Government.

/The essential

The essential elements of any solution would be that it should preserve British administration, law and way of life for the Islanders while releasing the potential of the Islands' economy and of their maritime resources, at present blighted by the dispute.

It is for the Islanders to advise on which, if any, option should be explored in negotiations with the Argentines; I have asked them to let me have their views in due course. Any eventual settlement would have to be endorsed by the Islanders, and by this House.



REFERENCES

Flag A	House of Lords	26 November 1980
Flag B	House of Commons	27 November 1980

NOTES FOR SUPPLEMENTARIES

1. Why negotiate at all? Simply giving in to Argentine pressure

The Islands are stagnating. The dispute casts a cloud over the Islands' economy, security and prosperity and this can only be removed through a negotiated settlement. Islanders recognise this. We are of course aware of the Argentine wish for substantive negotiations.

2. Wrong to consider ceding sovereignty: selling Islanders out?

How can that be? We have no doubt about our sovereignty. We are consulting Islanders. No possible bases for a solution to the dispute can be explored through negotiations without the endorsement of the Islanders. It must be their decision.

3. Why stir things up in this way?

It is not a matter of stirring things up. The dispute exists. We cannot decide on how to move forward on the dispute without fully consulting Islanders' views and wishes.

4. What would leaseback involve: how long?

Hypothetical at this stage. Details would have to be negotiated. Essentials would be to preserve continued British administration of the Islands and to permit the necessary development of the Islands' economy and resources. A lease would need to be for a very long period, covering several generations, if it is to be acceptable.



5. What other options have been considered?

We considered a range of options. But practicable possibilities which might be acceptable to all parties are very limited. I also discussed with the Islanders the concept of a joint administration with ~~the~~ Argentines; but they made clear that this was quite unacceptable to them.

6. How have Islanders reacted? Do they not reject any transfer of sovereignty?

I was impressed in my discussions with the Islanders by their clear recognition of the issues involved and by their appreciation of the need to give them careful and serious thought. The debate will continue in the Islands and they have undertaken to let me have their views in due course.

7. Would Argentines accept leaseback or freeze?

It would be premature to speculate on the Argentine position. But we are aware that the Argentine Government do want to see substantive negotiations undertaken. They have in the past rejected the idea of a freeze.

8. When and how will Islanders' views be known and will they be made public?

I hope that Islanders will be able to let us have their views through the Governor and their Councillors in the New Year. There is of course no deadline and no-one is rushing them. If a basis for further talks with the Argentines is agreed, the House will be informed.

9. What will you do if Islanders reject ideas?

This is a hypothetical question. We cannot anticipate their wishes.

10. Islanders being put under intolerable pressure?

We are not pressurising the Islanders. We are consulting them on their views. We have, however, a responsibility for ensuring a viable economic and political future for the people of the Islands, in accordance with their wishes.



11. What about Dependencies under leaseback?

This would be a matter for negotiation.

12. What about fish/oil?

Any solution must open up the Islands' maritime resources. Without an end to the dispute, the exploitation of the fish and of any oil will remain blocked.

13. UK aid to Falkland Islands

I made clear to the Islanders that our aid programme continues and that we will maintain our support for their economy.

14. Has date been set for negotiations with Argentines?

No.

15. You also visited Argentina?

On my way to the Islands through Buenos Aires I paid a brief courtesy call on the Argentine Deputy Foreign Minister.



**Falkland Islands**

**Mr. Marlow** asked the Lord Privy Seal whether it is the policy of Her Majesty's Government that the United Kingdom will in no foreseeable circumstances relinquish full sovereignty over the Falkland Islands.

**Sir Ian Gilmour**: The British Government are in no doubt about the United Kingdom's sovereign rights over the Falkland Islands and the Falkland Islands Dependencies. It remains our intention to seek a solution to the sovereignty dispute which is acceptable to all parties. We have made it clear that any proposals for a settlement would have to be acceptable to the islanders and would be laid before the House.

House of Lords - 27 Nov. 1980

**Falkland Islands**

3.20 p.m.

**Lord Morris**: My Lords, I beg leave to ask the Question which stands in my name on the Order Paper.

The Question was as follows:

To ask Her Majesty's Government whether they intend making a statement as a result of their negotiations with the Government of Argentina and the Legislative Council of the Falkland Islands.

**Lord Carrington**: My Lords, as my noble friend Lord Trefgarne told your Lordships at the conclusion of last night's debate, my honourable friend the Minister of State has gone to the Falkland Islands



[LORD CARRINGTON.]

following exploratory talks with the Argentine Government in April and my general discussion with the Argentine Foreign Minister in September. My honourable friend is consulting the islanders to establish their views. It is the Government's aim to achieve a solution which would be acceptable to all parties. I would repeat that no solution can be agreed without the endorsement of the islanders as well as that of Parliament.

**Lord Morris:** My Lords, I thank my noble friend the Secretary of State for Foreign and Commonwealth Affairs for that Answer. May I once more ask him whether Her Majesty's Government intend making a statement as a result of the negotiations between the Argentinian Government and the Legislative Council of the Falkland Islands?

**Lord Carrington:** My Lords, I can assure my noble friend that if there is anything to make a statement about it will be made.

**Lord Avebury:** My Lords, is the Minister aware that many people in the Falkland Islands view with the greatest alarm these conversations that Mr. Nicholas Ridley has had with the military authorities in Argentina; and that, bearing in mind that 3,600 people have totally disappeared into thin air in that country and no explanation has ever been vouchsafed by the authorities in spite of comprehensive investigations by the Inter-American Commission on Human Rights, this is a régime to which the people of the Falkland Islands quite understandably do not want to be subjected?

**Lord Carrington:** My Lords, in the light of the undertaking and the pledge I gave in the original Answer to the Question, I do not think the Falkland islanders have any cause for alarm.

**The Earl of Lauderdale:** My Lords, is my noble friend aware that following the visit of Mr. Ridley leaks have begun to appear in the London Press in a fashion all too familiar to those of us who are Whitehall-watchers; and will he give us an assurance that this Government will put absolutely no pressure on the islanders to accede to whatever may be the Whitehall view?

**Lord Carrington:** My Lords, of course I give that undertaking. I would only add that if my noble friend thinks that I have leaked it he must think that I enjoy being questioned in this House about it.

**Lord Paget of Northampton:** My Lords, why are we talking to the Argentine at all? What is their *locus standi* here? They are 500 miles away from islands which, when uninhabited, were occupied by British people and have, in the period since then, been British territory. What has it got to do with the Argentine?

**Lord Carrington:** My Lords, like it or not, over a great many years the Argentinians have claimed the Falkland Islands. We of course do not admit that claim, but the fact that there has been that claim has

cast an economic blight over the Falkland Islands, as anybody who knows the subject will be well aware. Consequently, if an agreement could be reached which is acceptable to the Falkland islanders, to the Argentinians and to ourselves, it will be greatly to the benefit of all of us.

**Lord Monson:** My Lords, following on the question asked by the noble Lord, Lord Paget, would the noble Lord the Foreign Secretary not agree that Argentina is no more morally justified in claiming the right to rule the Falkland Islands than, for example, Liberia would be justified in claiming the right to rule the Canary Islands?

**Lord Carrington:** My Lords, the noble Lord will know enough about international affairs to know that a lot of people claim things that do not belong to them.

**Viscount Thurso:** My Lords, can the noble Lord give us an assurance that before assuming that we know the views of the Falkland islanders they will be given some chance of being heard by a referendum or by a means that ascertains their views person by person?

**Lord Carrington:** My Lords, I think that at this moment we had better take one thing at a time. I have no idea at the moment what the views of the Falkland islanders are, but I should like to hear what my honourable friend the Minister of State says when he comes back to England, and then we can discuss it all. But certainly there will be a lot of opportunity in your Lordships' House to discuss how we go, if we go anywhere.