



Meeting held
on 11 June,

Bu/s

AW 040/325/1	
RECEIVED SECRETARY OF STATE	
12 JUN 1979	
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Handwritten signatures and initials:
T. H. ...
A. ...

Secretary of State

ARGENTINA AND THE FALKLAND ISLANDS

1. I have been looking at the various options open to us.
2. These seem to be:
 - (a) thumbing our noses at the Argentines and provisioning and defending the Falkland Islands - the "Fortress Falklands" option: -
 - (b) selling out the Falkland Islanders:
 - (c) negotiating with Argentina.
3. I think that negotiation is the only valid option. The Argentines will not negotiate unless the negotiations include questions of sovereignty so, although I am much more interested in negotiating with them about economic co-operation, we will have to agree to discuss sovereignty. If we are going to do this we must keep the Falkland Islanders with us. If we do not they will complain and we will have a blow up in Parliament and in the press. I am therefore proposing to go out to the Islands in July.



4. I cannot go to the Islands without also going to Buenos Aires and having a preliminary talk with the Argentines. For this I need to have the backing of the Government for the general lines of a negotiation with the Argentines. I therefore attach a draft Letter from you to the Prime Minister and other members of the OD Committee which, if it is agreed, would give me the necessary coverage. As you will see there is no question of my getting into a negotiation with the Argentines during this visit, but I do need to know that the way my thoughts are going will, subject to my conclusions as a result of these visits, be an acceptable basis for formal negotiations with the Argentines later.

Nich

Nicholas Ridley

4 June 1979