



Foreign and Commonwealth Office

London SW1A 2AH

18 May, 1982

Dear John,

A. J. C. $\frac{20}{5}$
h.c.

Falklands

I enclose a draft opening speech for the Prime Minister's use in the debate tomorrow. It is along the lines you discussed with Christopher Mallaby yesterday.

It is of course based on the assumption that by tomorrow afternoon Senor Perez de Cuellar will have declared that Argentina has not accepted our proposals and that his mediation has therefore failed.

I am copying this letter and enclosure to David Omand in the MoD.

Yours ever
John Holmes

(J E Holmes)
Private Secretary

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FALKLANDS : PRIME MINISTER'S SPEECH IN THE HOUSE ON
20 MAY

Since the Falklands crisis began on 2 April the Government have attached great importance to regular consultation with Parliament. I was glad yet again to agree to a proposal for a debate from the rt hon Gentleman the Leader of the Opposition. For reasons which this House has understood, it has not been possible to give details of ^{current} diplomatic negotiations ~~and~~, still less of military preparations and plans. It has however been possible to establish unanimity on the principles which this country is defending and broad agreement on the objectives we should pursue.

What we cannot do is to allow the pace of negotiations or of military action to be dictated by the deliberations of this House. It is right and proper that we should take full account of the opinions of honourable Members. No-one I think can honestly say that we have not tried to do so. But in complicated diplomatic and military endeavours, the pace of events must be determined by the Government's best judgement of the national interest. Men's lives have been and are at stake. It would be highly irresponsible to increase the risks that face our forces ^{from} ~~in the face of~~

hostile actions and in the hazardous conditions of the South Atlantic.

The principles we are defending are fundamental to ^{everything that} ~~all~~ this Parliament stands for. They are the principles of democracy and the rule of law. Argentine aggression against the Falkland Islands was in deliberate violation of the rights of peoples to determine by whom and in what way they are governed. It was perpetrated against a people who are used to enjoying full human rights and freedoms. It was executed by a government with a notorious record in suspending and violating those same rights. Britain has the responsibility towards the Islanders to restore their democratic way of life. She has a duty to the whole world, and to the cause of peace everywhere, to show that aggression ^{will} not be rewarded and that international law must not be flouted.

The unanimity of this House on the principles behind our action has been matched by broad agreement on our objectives. Our first objective has been [redacted] the implementation of Security Council Resolution 502, and the key to that is the withdrawal of Argentine forces, so that aggression shall be reversed. We have also made it clear that any interim arrangements must preserve the Islanders' way of life, so that freedom shall be upheld. And we have consistently declared our

willingness to negotiate about the future of the Falkland Islands, but only in a way which respects the principle of self-determination, so that the wishes of the Islanders shall be fully respected.

I believe ^{that} the methods we have used have also won general support. They have ^{comprised} ~~been~~ a combination of diplomatic, economic and military pressures. We would have been perfectly entitled to rely on our undoubted right ^{of} ~~to~~ self-defence under Article 51 of the UN Charter. We could have told the world that British territory had been invaded and that we intended to throw out the aggressor through our own unaided military capabilities.

But we wanted to avoid unnecessary bloodshed. We therefore applied maximum diplomatic and economic pressures, as well ^{as military}. We were determined to leave no stone ^{unturned} ~~unmined~~ in our efforts for a negotiated settlement.

~~_____~~ But with the announcement yesterday by the United Nations Secretary-General of the failure of his mediation efforts, I am afraid that we must conclude that negotiation cannot ^{at present} get Argentina off the Falklands. So the time has come to tell the House why a peaceful settlement has not proved possible. I hope I shall leave no doubt that throughout the process of

negotiation Britain has been consistently patient and reasonable. It has been Argentine intransigence, Argentine determination to hold on ^{to} the fruits of aggression, and Argentine insistence on what they know to be unacceptable that has caused the failure of three successive attempts at a negotiated settlement.

I shall not take up the time of the House with a detailed description of the earlier stages of ~~the~~ ^{negotiation} search for a negotiated settlement. The first proposals for an interim agreement to end the crisis were put forward by the United States Secretary of State, Mr Alexander Haig. Although these presented real difficulties for Britain, the Government expressed their willingness to consider them. But Argentina, in a clear demonstration of inflexibility, rejected Mr Haig's proposals, though only after a show of prevarication and deliberate confusion that boded ill for the future and cast doubts on her good faith.

The next stage of negotiations was based on proposals originally advanced by President Belaunde of Peru and modified in consultations between him and Mr Haig. As my right honourable Friend informed this House on 7 May, Britain was willing to accept these proposals for an interim agreement. They could have led to an almost immediate ceasefire. But again it was Argentina ^{who} ~~which~~ rejected them.

Since then the Secretary-General of the UN, Senor Perez de Cuellar, has been conducting negotiations with Britain and Argentina. I would like to pay tribute to the Secretary-General. He has tried as hard as anyone could to produce a peaceful settlement. His efforts, alas, have not succeeded. Nevertheless, he has demonstrated his dedication to peaceful negotiation, and the respect he has won will be a source of encouragement to all who ^{set stone by} ~~hope for an enhancement of the~~ ^{of the United Nations} influence ⁱⁿ the cause of peace and justice.

~~In these, as in previous negotiations, Britain made repeated efforts to establish whether Argentina was willing to be sufficiently reasonable to make an interim agreement possible.~~ ^{Unfortunately} ~~But~~ it became increasingly clear that Argentina was concerned to play for time and to hold on to the fruits of aggression.

As the Secretary-General himself declared, his negotiations could not go on indefinitely. [After an important meeting of Ministers on 16 May, Sir Anthony Parsons returned to New York with a draft interim agreement which set out the British position in full. In order that honourable Members ^{might} ~~may~~ be in no doubt of the facts, the Government at noon today laid before the House a paper which sets out our position and gives the full text of the draft agreement. The paper shows ^{how} ~~why~~

our proposals upheld our fundamental principles and yet went as far as we could ⁱⁿ ~~go without~~ any negotiation on other ^{aspects of} ~~elements in~~ the problem.

The Secretary-General agreed to convey our draft agreement to Argentina and asked the latter to respond within 2 days. Argentina's first reply on 18 May was a blatant example of prevarication. [Now her rejection of our proposals has put an end to the Secretary-General's efforts for a negotiated settlement.]

~~_____~~
~~_____~~
~~_____~~. Let me explain to the House the principal features of our draft agreement.

The agreement upholds our basic principles, in the following ways

- First, it provides for complete Argentine withdrawal from the Falkland Islands within 14 days. That would put an end to the aggression.
- Second, it keeps in being the Legislative and Executive Councils on the Falkland Islands and provides that ^{they would be consulted by me,} ~~a~~ United Nations administrator ~~would~~ ~~consult~~ ~~them~~ during the interim period. That maintains the principle of democracy and the

main structure

essence of the traditional administration.

- Third, it provides explicitly that the outcome of negotiations about the future of the Falkland Islands would not be pre-judged. That means that Britain would not be tied to any particular outcome and would be free in the negotiations to be guided by the wishes of the Islanders about their future.

Our draft agreement does not cover the Falkland Islands Dependencies. We ^{pointed} ~~made~~ ^{out} ~~this doubly~~ clear in a separate letter handed to the UN Secretary-General by Sir Anthony Parsons on 17 May. South Georgia and the South Sandwich Islands are geographically distant from the Falkland Islands themselves. Another difference is that they have no settled population. Another is that the British title to them, of which we have no doubt, does not derive from the Falkland Islands but from separate historical developments. These territories have been treated as dependencies of the Falkland Islands only for reasons of administrative convenience.

At the same time, Britain has been willing to negotiate about matters where our principles would not be breached;

- The Falkland Islands are British sovereign territory and we are entitled to deploy there any military forces that we wish. Nevertheless, in

return for Argentine withdrawal from the Falklands and a commitment not to ^{return them} reintroduction, ~~and for~~ ^{of those provisions} international verification, we were willing to withdraw our Task Force from a zone of 150 nautical miles radius ^{and not to return it in the interim period.}

- We were willing, from the moment of a ceasefire, to lift the various exclusion zones as well as the economic measures introduced during the present crisis.
- We were prepared to accept the appointment of a UN Administrator, and that the Executive and Legislative Councils should each be enlarged by the addition of one person from the Argentine population of the Islands, despite the tiny proportion which they represent of the total population. We were also willing to accept the presence of up to 3 Argentine observers on the Islands in the interim period.

Some people might argue that these provisions, because they amounted to a limited departure from the status quo, would have meant that Argentina would have been rewarded for her aggression. We were prepared to face that criticism in the interests of peace and of preventing bloodshed. But for Argentina these changes were not enough. For her, an end to negotiations and a prospect of bloodshed were preferable to accepting ^{our proposals.}

Take first the question of withdrawal. Argentina has consistently tried to argue that British naval forces should return far away to their usual operating areas. The reason why they argued this must have been a hope of invading the Falklands again at some future time. We cannot leave the Islands at the mercy of further Argentine aggression.

Argentina has also opposed the provision that the UN Administrator should exercise his powers in conformity with the laws and practices traditionally observed in the Islands. It was clear from the negotiations that Argentina had a ^{definite} clear purpose here. ^{The Junta} She wanted ^{- Argentine} people and businesses to have unrestricted access to the Islands, so that they could flood them in the interim period. The aim was to change the nature of Falklands society and thus pre-judge ^{the} ~~its~~ future of ^{the} islands.

Another serious difficulty was that Argentina resisted the provision which would have ensured that the interim arrangements should stay in place until the implementation of a definitive agreement about the future of the Islands. ^{The Junta's} Their aim was that in the absence of a definitive ^{agreement} by the target date of 31 December 1982 the interim administration should lapse. This would have created a vacuum, and Argentina evidently hoped to fill it.

After all these efforts at negotiation, let no-one accuse Britain of seeking conflict. Argentina began this crisis. Argentina has rejected reason in negotiations. Argentina has seemed to welcome bloodshed. It was General Galtieri who boasted: 'I now have the blood of more than 400 Argentines on my shoulders. The Argentine people are willing to accept 4,000 or 40,000 more'.

The House will realise that this sad failure of the third attempt at negotiations greatly increases the risk of further conflict. The House will not expect me to comment on the military options. Nor shall I do so. If military action now becomes necessary, and if Argentina remains obstinate about negotiation, we shall continue to exercise restraint as far as is consistent with our objectives. ^{and the safety of our forces} I hope that genuine negotiation may become possible. If so, we shall ^{seize} ~~take~~ the opportunity. But negotiation would then be on a new basis. Argentina has rejected our draft agreement. It is therefore overtaken. If Argentina demonstrates a willingness to be flexible, we can consider what British proposals would then be needed.

The present crisis was brought about by Argentina's unlawful act of expansionist aggression. The junta's subsequent intransigence has shown their determination to retain the fruits of that aggression, to reject negotiation and to flout democratic principles and the international rule of law. Britain for her part remains determined to show that democracy, freedom and the rule of law will be upheld.