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CABINET

DEFENCE AND OVERSEA POLICY COMMITTEE

SUB-COMMITTEE ON THE SOUTH ATLANTIC AND THE FALKLAND ISLANDS

MINUTES of a Meeting held at 10 Downing Street on THURSDAY 13 MAY 1982 at 9.30 am

PRESENT

The Rt Hon Margaret Thatcher MP Prime Minister

The Rt Hon William Whitelaw MP Secretary of State for the Home Department

The Rt Hon John Nott MP Secretary of State for Defence The Rt Hon Francis Pym MP Secretary of State for Foreign and Commonwealth Affairs

The Rt Hon Cecil Parkinson MP Chancellor of the Duchy of Lancaster and Paymaster General

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Sir Michael Havers QC MP Attorney General

Admiral of the Fleet Sir Terence Lewin Chief of the Defence Staff

Sir Antony Acland Foreign and Commonwealth Office

Mr J R Freeland Foreign and Commonwealth Office

Sir Michael Palliser Cabinet Office

SECRETARIAT

Sir Robert Armstrong Mr R L Wade-Gery Mr R L L Facer Brigadier J A C G Eyre

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1. MILITARY ISSUES

THE CHIEF OF THE DEFENCE STAFF briefed the Sub-Committee on the latest military situation.

In discussion it was noted that further difficulties had arisen over reporting arrangements for media representatives with the British Task Force; it would be necessary to make clear in public that no alternative arrangements would be possible. Film material on the South Georgia operation was due to reach London that afternoon. A problem had arisen over one of the Argentine prisoners from South Georgia,
Lieutenant Commander Astiz, in whom the French and Swedish Governments were interested in connection with alleged criminal activities. He had not been repatriated from Ascension Island with other prisoners the previous evening. A dangerous situation could develop if he was not repatriated soon, since there might be retaliation against future British prisoners. On the other hand the impending visits to Britain by President Mitterand and the French Prime Minister and Foreign Minister made it particularly difficult to rebuff the French Government's approach.

THE PRIME MINISTER, summing up the discussion, said that
Lieutenant Commander Astiz should not be repatriated until he had been
asked whether he would be willing to be questioned by the French and
Swedes. But if he refused, as was likely and was his right, his
repatriation should then proceed. Britain's legal obligations under the
Geneva Conventions should be scrupulously observed.

The Sub-Committee -

Invited the Foreign and Commonwealth Secretary, in consultation with the Defence Secretary, to arrange for Lieutenant Commander Astiz' case to be handled as indicated by the Prime Minister in her summing up.

2. DIPLOMATIC ISSUES

The Sub-Committee had before them telegrams nos. 731-4 from the United Kingdom Mission in New York, reporting on the current state of the negotiations being conducted by the United Nations Secretary General, Senor Perez de Cuellar.

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Secretary General's reaction to the points which the British Representative, Sir Antony Parsons, had put to him on instructions following the Sub-Committee's meeting the previous day had been that these would precipitate an immediate breakdown in the negotiations. In Sir Antony Parsons' view, Britain would incur considerable international odium if that happened; but the negotiations could only be kept going if the current British position on the nature of the interim administration and on military withdrawal from South Georgia was substantially modified. Sir Antony Parsons had therefore sought further instructions and meanwhile the Secretary General was not communicating Britain's position to the Argentines.

In discussion it was argued that public opinion was strongly behind the Government provided it remained resolute. Public confidence had not been shaken by the loss of HMS Sheffield. But it was now endangered by widespread fears of a diplomatic sell-out. There must be no gap between the Government's public pledges and the line being taken in negotiations. Concessions on South Georgia or on the Falklands' interim administration would not be understood by the Government's supporters. Intelligence Committee's assessment of Argentina's aims showed what importance she attached to preventing the return of a basically British administration in the Islands. Britain's aim should therefore be to secure the termination of the New York negotiations in circumstances which left the Argentines with most of the blame. Against this, it was argued that the Government would not find it impossible to persuade public opinion to accept the kind of settlement which might be negotiable in New York. In the end the future of the Islands could not be settled without negotiations in which Argentina was bound to play a part. international position would be gravely compromised if there was a breakdown in New York for which she appeared to be to blame. The Government could not sensibly decide on their policy until the military options had been more fully explored. They needed to assess what might be attainable by diplomatic means and what by military means; and then recommend the more promising alternative to their supporters. Although some of the latter were too ready to believe in a military settlement without serious penalties, many of them were more open-minded and would not want British lives unnecessarily endangered. It was beginning to be understood that

the wishes of a community as small as the Islanders could not in all circumstances be the decisive factor. Although demilitarisation of South Georgia was probably unacceptable, it might not be impossible to offer to withdraw the garrison now ashore there.

THE PRIME MINISTER, summing up the discussion, said that, the Government's aim should be to keep the New York negotiations going for the time being, without making major concessions, and to ensure that if they did subsequently collapse the fault was seen to be Argentina's. to this end would need to be discussed with Sir Antony Parsons. Points to be discussed with the Secretary General might include the recent public statement by the Argentine Foreign Minister, Senor Costa Mendez, which appeared after all to prejudge the sovereignty issue; the danger which would be posed by a political vacuum after the interim period; and the possibility of United States help in verifying military withdrawal. The possibility of adding one Argentine resident in the Islands to each of the two Councils need not be excluded in the interim administration. Referring South Georgia to the International Court of Justice might also be suggested. Meanwhile it should be made clear in Parliament that no British military decisions were being delayed for diplomatic reasons.

The Sub-Committee -

Invited the Foreign and Commonwealth Secretary to send further instructions to Sir Antony Parsons on the basis indicated by the Prime Minister in her summing up.

Cabinet Office 13 May 1982