(w 10)

FALKLANDS: FILE NOTE

1. At his office meeting on 6 March about our tactics for the next Falklands meeting the Secretary of State also made two longer term points which we should bear in mind for the future:

- (a) We should play any declaration of a fishing zone around the Falklands in as low a key as possible. Such a declaration risks provoking a hostile reaction from the Argentines; we should therefore be careful not to encourage any thinking that we might be contemplating moving towards a declaration. The Secretary of State had deliberately amended the last PQ on this subject for this reason.
- (b) We should all bear in mind that even our present position in the negotiations was at least 5 years ahead of public opinion both in this country and in the Falklands. In this sense the negotiations were already unrealistic. There was no prospect of selling any Falklands' settlement to Parliament or the Islanders given their present view of the dispute with Argentina.

16 March 1979

A J Sindall South America Department

cc: Mr Ure.o.r.