



PM/82/34

PRIME MINISTER

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I suggest we discuss
 this or OD(SA) tomorrow
 morning.

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5.1.82.

1. We agreed at Cabinet this morning that, if the Cabinet accepted the latest United States proposals, it should be on the basis that instructions to ceasefire should not be issued until an agreement had been formally concluded, and that there was no immediate need to change the rules of engagement for our forces in the South Atlantic. I am content with that; but I am strongly of the view that we should look again at the position of the Argentine aircraft carrier during this phase of the diplomatic discussions.

2. We have good reason to believe that she is in, or very close to, Argentinian territorial waters, heading North and so away from the Falkland Islands and our task force, and that her attack capability is reduced to six aircraft with a radius of only 200 miles. Thus the carrier in her present posture can hardly be regarded as a direct or imminent threat to our task force.

3. I know that the Attorney General considers that, so long as the carrier is on its present course and in its present posture, our justification for attacking it would be questionable.

4. I am in no doubt whatever about the political consequences of an attack upon the carrier in that posture, while we were waiting for the Argentine response to the proposals which Cabinet endorsed this morning. International opinion would be outraged. We should, I believe, forfeit much of our Parliamentary and public support at home. We should make it impossible, at least in the short term, for Argentina to accept an agreement of the kind envisaged. And,

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most important, we should be thought by the Americans, and by Mr Haig in particular, to have deliberately destroyed the prospects of an initiative to which we had just given our conditional agreement. I believe that the consequences of that for American public opinion and the American Government's support could be incalculably grave.

5. No doubt we should have to accept these consequences if the carrier represented an imminent military threat to our people in the South Atlantic; and clearly, if the fighting in the South Atlantic has to continue, and particularly if we have to make a landing and try to repossess the Falkland Islands by force of arms, it will be important to eliminate the threat posed by the carrier. But there is not in my judgement an immediate military need to attack the carrier in its present posture. In the next few days, therefore, so long as the latest initiative is running, I think we need to have possible political consequences of an attack on the carrier at the front of our minds.

6. Thus I should like to urge that the instructions to the submarine concerned should now be modified, at least until we know whether the Argentines are going to accept the Haig proposals, to the effect that the submarine should not attack the aircraft carrier so long as she continues on a northerly course in or close to Argentine territorial waters. During this period the submarine Commander might be authorised to attack the carrier only if she has moved out of the vicinity of Argentine territorial waters and has changed course in a direction which clearly implies hostile intent.

7. I am sending copies of this minute to the Home Secretary, the Secretary of State for Defence, the Chancellor of the Duchy of Lancaster, the Attorney General and Sir Robert Armstrong.

FP

Foreign and Commonwealth Office
5 May 1982

(FRANCIS PYM)