

Ref: B06490



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PRIME MINISTER

c Sir Robert Armstrong

Falklands: OD(SA) on 11th May

You have three items on tomorrow's agenda, which you could conveniently handle as follows.

I. Military issues

- a. Current situation. Briefing by the Chief of the Defence Staff
- b. Operational decisions. No notice has been given that any are sought. Attempts to seek them without notice should only be permitted when they are clearly urgent and unforeseen.
- c. Presentational issues. The Defence Secretary and the Chief of the Defence Staff should report on the latter's and Sir Frank Cooper's meeting with Editors. What further measures are necessary?

II. Diplomatic Issues

- a. Current situation. Sir Antony Acland should introduce the overnight crop of telegrams.
- b. Decisions.
 - The Foreign and Commonwealth Secretary should indicate what instructions Sir Antony Parsons needs. This will of course be the heart of what could be a crucial meeting.
 - Questions which the Foreign and Commonwealth Secretary should address include -
 - i. Timing. When is the crunch coming in New York? Is there any danger of it not coming before our invasion window opens (19th May)? If so, how do we speed things up?
 - ii. Prospects. Does a real settlement look possible? If so, see iii. below. If not, what tactics are needed to pin the blame for failure onto the Argentines?



Exe. of dependences
 "Adv. capacity"
 Sp. Arg. det. or
 sovereignty
 200 miles

iii. Bottom line. If there is a prospect of a settlement, what are our real breaking-points? These must be unambiguously distinguished from desirable objectives which in the last resort we could live without.

Your colleagues will be keenly aware that we cannot accept a sell-out. They will also have in mind that there is unlikely to be time for another try at a negotiated settlement before our military timetable requires us to attempt repossession; that, unless Argentine moral cracks (which it may), repossession will be costly in terms of life and property, with no guarantee against failure; and that, as the Defence Secretary was arguing this morning, victory could be turned to defeat if Argentina counter-attacked in force after the bulk of our Task Force had gone home.

- Before summing up you will need to decide how to handle the subsequent Cabinet meeting. How much should they be given by way of information? What specific decisions, if any, should be sought from them?

III. Longer-term Issues

a. Sir Michael Palliser's paper (OD(SA)(82) 38) underlines the crucial distinction between settlements with Argentina's consent and settlement without. The latter would have to be policed by us, without adequate communications, at great cost and some risk of renewed humiliation; and/or by the Americans. An American guarantee, directed against a hostile Argentina, would reduce both the cost to us and the risks; but it is unlikely to be negotiable on terms we could accept, since in the long run the United States cannot afford to incur the permanent enmity of so large a hemisphere neighbour as Argentina for the sake of what would be seen by American opinion as a peripheral matter, once memories of the moral issue involved in 1982 had faded. This suggests that the Sub-Committee should focus on the list in the paper's paragraph 13: Antarcticisation, condominium, United Nations trusteeship or leaseback. Each of these had obvious drawbacks; and each might well prove incompatible with self-determination.

b. The Foreign and Commonwealth Office paper on United Nations trusteeship (OD(SA)(82) 43) suggests that the Sub-Committee need to consider two major pitfalls in this route. First, there seems (paragraph 4) to be no way in which a trustee administration directly or indirectly under the United Nations could keep out Argentine immigrants; so the trust could readily end with an immigrant majority opting for union with Argentina. Second, a trust administration would only come under the Security Council, rather than the General Assembly, if the Security Council itself agreed - which the Russians could prevent; but if it came under the General Assembly, there would be no means of stopping the pro-Argentine majority there from bringing it to an end, thus creating a vacuum which Argentina would geographically be best placed to fill.

c. General considerations

*Paragraph deleted and retained under
Section 3(4). AWayland
10 May 2012*

- The effect of the crisis. We tend to assume that when the crisis is over the Islanders will all wish to stay/return and will all remain opposed to a settlement on Argentine terms. That may well be so. But can we wholly rule out the possibility that the experience of being conquered and then violently reconquered will persuade many of them that they would be better off in future either in New Zealand (if compensated) or under some form of Argentine suzerainty (with local autonomy)?

RLG

10th May 1982

R L WADE-GERY