

SECRET

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

C(82) 15

COPY NO

40

20 April 1982

CABINET

THE FALKLAND ISLANDS

Note by the Secretary of the Cabinet

1. Attached for consideration at today's meeting of the Cabinet are the texts of:
 1. Draft proposals for an agreement on the dispute received from the United States Secretary of State after his most recent visit to Buenos Aires.
 2. A United States note commenting on the draft proposals.
 3. The covering message under which they were sent to the Foreign and Commonwealth Secretary.
2. Also attached for reference are:
 4. The draft proposals agreed between Ministers and the United States Secretary of State before his most recent visit to Buenos Aires.

Signed ROBERT ARMSTRONG

Cabinet Office

20 April 1982

SECRET

1. DRAFT PROPOSALS FOR AN AGREEMENT ON THE DISPUTE RECEIVED FROM
THE UNITED STATES SECRETARY OF STATE AFTER HIS MOST RECENT VISIT TO BUENOS AIRES

On the basis of United National Security Council Resolution 502, and the will of the Argentine Republic and of the United Kingdom to resolve the controversy which has arisen between them renouncing the use of force, both governments agree on the following steps, which form an integrated whole:

1. Effective on the signature of this agreement by both governments, there shall be an immediate cessation of hostilities.

2. Beginning at 0000 hours on the day after the day on which this agreement is signed, the Republic of Argentina and the United Kingdom shall not introduce nor deploy forces into the zones (hereinafter, "zones") defined by circles of 150 nautical miles radius from the following coordinate points (hereinafter, "coordinate points"):

A) LAT. 51 DEG 40' S
LONG. 59 DEG 3⁰ W

B) LAT. 54 DEG 20' S
LONG. 36 DEG 4⁰ W

C) LAT. 57 DEG 40' S
LONG. 26 DEG 5⁰ W

2.1. Within 24 hours of the date of this agreement the United Kingdom will recind its zone of exclusion and Argentina will not conduct operations in the zones.

2.2. Within 24 hours of the date of this agreement Argentina and the United Kingdom will commence the withdrawal of their forces in accordance with the following details.

2.2.1. Within seven days from the date of this agreement, Argentina shall have withdrawn one half of its military and security forces present in the zones on the date of this agreement, including related equipment and armaments.

Within the same time period, the United Kingdom will have completed the withdrawal of all of its forces from the zones and the United Kingdom Naval Task Force will stand off at a distance of at least 1750 nautical miles from any of the coordinate points.

2.2.2. Within 15 days from the date of this agreement. Argentina shall remove all of its remaining forces, equipment and armaments from the zones. Within the same time period, units of the UK Naval Task Force and submarines shall redeploy to their usual operating bases or areas.

3. After fifteen days after the date of this agreement and pending a definitive settlement, no military or security forces shall be introduced by the signatories into any of the zones defined by circles of 150 nautical miles radius from the coordinate points.

4. From the date of this agreement, steps shall be taken by the two governments to terminate simultaneously, and without delay, the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. The United Kingdom without delay shall request the European Community and third countries that have adopted similar measures to terminate them.

5. The United Kingdom and Argentina shall each appoint, and the United States has indicated its agreement to appoint a representative to constitute a special interim authority which shall provide observers to verify compliance with the obligations in this agreement.

6 A) Pending a definitive settlement, all decisions, laws and regulations hereafter adopted by the local administration on the Islands shall be submitted to and expeditiously ratified by the special interim authority, except in the event that the special interim authority deems such decisions, laws or regulations to be inconsistent with the purposes and provisions of this agreement or its implementation. The traditional local administration shall continue through the executive and legislative councils which shall be enlarged in the following manner: the Argentine Government shall appoint two representatives, who shall serve in each Council; the Argentine population whose period of residence on

the Islands is equal to that required of others entitled to representation shall elect representatives to each Council in proportion to their population, subject to there being at least one such representative in each Council. The local police shall be continued under the administration of the Councils, with a representation of the resident Argentine population, and shall be subject to the supervision of the special interim authority. The flags of each of the constituent members of the special interim authority shall be flown at its headquarters.

6 B) Pending a definitive settlement, neither government shall take any action that would be inconsistent with the purposes and provisions of this agreement or its implementation.

7 A). Pending a definitive settlement, travel, transportation movement of persons and as, may be related thereto, residence and ownership and disposition of property, communications and commerce between the mainland and the Islands shall, on an equal basis, be promoted and facilitated. The special interim authority shall propose for adoption appropriate measures on such matters, including possible arrangements for compensation of islanders who do not wish to remain. The two signatories undertake to respond promptly to such proposals. The special interim authority shall monitor the implementation of all such proposals adopted.

7 B). Pending a definitive settlement, the rights and guarantees which have heretofore been enjoyed by the inhabitants of the islands will be respected, on an equal basis, in particular rights relating to freedom of opinion, religion, expression, teaching, movement, property, employment, family, customs, and cultural ties with countries of origin.

8 A) December 31, 1982, will conclude the interim period during which the signatories shall conclude negotiations on modalities for the removal of the Islands from the list of non-self governing territories under Chapter XI of the United National Charter and on mutually agreed conditions for their definitive status, including due regard for the rights of the inhabitants and for the principle of territorial integrity applicable to this dispute, in accordance with the purposes and principles of the Charter of the United Nations and Resolution 1514 (XV) and 2065 (XX) [sic] and in the light of relevant resolutions of the General Assembly of the United Nations on the "Question of the Falkland (Malvinas) Islands". The negotiations hereabove referred to shall begin within fifteen days of the signature of the present agreement.

SECRET

8 B) The United States Government has indicated that, at the request of the two governments, it would be prepared to assist them in bringing their negotiations to a mutually satisfactory settlement by the date stipulated in subparagraph (A).

SECRET

SECRET

2. UNITED STATES NOTE COMMENTING ON THE DRAFT PROPOSALS

Paragraph 1 (Cessation of Hostilities)

This implements operative paragraph 1 of the UNSC Resolution.

Paragraph 2 and 3 (withdrawal and separation of forces). These provide the essential elements of withdrawal and non-introduction of forces. We were unable get Argentine agreement to forego freedom of movement except for the three specified 150 nm withdrawal/non-introduction zones. The statement that Argentina will not operate its forces in the zones is designed to make clear that their so-called "theatre of operations" does not apply. The withdrawal schedule permits United Kingdom naval forces to remain within the zone for seven days. At which time Argentina must have withdrawn half of their forces. The idea of requiring the United Kingdom Naval Task Force seven days to be at 1750 nm from the co-ordinates provides flexibility. The position of United Kingdom forces at the time of agreement will of course determine the closest point of approach of those forces to the co-ordinate points before having to turn back in order to be at 1750 nm on day seven. The United Kingdom will of course want to look very closely at the treatment of the submarines, which was a major point of controversy here. At the last minute, we detected a drafting issue in paragraph 2.2.1 (text of draft agreement being sent by separate telegram flash). We suggested that the two sentences regarding United Kingdom actions be combined by word "and" to make clear our intent that 1750 nm limit applies only "within the same time period", and therefore is not applicable until one week after agreement. At this writing, change is being reviewed by GOA.

Paragraph 4 (Economic Sanctions)

The basic concepts have been retained from the draft we carried from London. The timing, however, has been altered at Argentine insistence. Steps are to be taken to terminate Bilateral Sanctions simultaneously and without delay, rather than anytime in the two week period we previously discussed. The operative commitment remains "to take steps". Simultaneously implies

SECRET

bilateral co-ordination, which would obviously bear on the timing of the actions in both sentences. We assume "without delay" includes time necessary to make such arrangements, a reasonable amount of time to complete domestic requirements, and the time necessary to consult the EC and Third Countries.

Paragraph 5 (Authority)

The concept of a Tripartite Special Commission survives with a change of name to Special "Interim Authority". While the Commission's functions have not changed materially from the text we worked out in London, the change of name with its connotations is optically more appealing to Argentina. The authority is now to verify compliance with all obligations in the agreement. Awkwardly, the draft retains reference to "observers" to accomplish these tasks; in our London text, observers were intended to monitor force withdrawal and separation only. Staff limitations would be handled in the separate protocol creating the authority.

Paragraph 6 (Local Administration)

Here and elsewhere, we have attempted to divorce substantive provisions "pending a definitive settlement" from the interim period for negotiations, to promote a basis for continuing arrangements should negotiations not meet this deadline. This text retains the concept of automatic ratification of local administration actions, except where deemed inconsistent with the agreement by the Special Interim Authority, (the Authority as provided in the separate protocol) would decide by majority vote. Local Administration is to continue "through" the councils, underlining the termination of the office of Governor. While United Kingdom appointments to councils would continue, in this text Argentina would also have two official appointees who would serve in each Council. Elected representation of the resident Argentine population would be provided for also, using the text worked out in London. All other links, administrative and legal, to the United Kingdom which form the basis of the local administration, would also continue. This draft gives the Special Authority a supervisory role over the local police, who would be administered by the Council's day-to-day, with "a representation" of the local resident Argentine population on the force

contemplated. The flag provision is unchanged. Argentine concern at possible United Kingdom decisions or laws inconsistent with the Agreement but not subject to special authority ratification has been met by a new sub-paragraph (b) which is intended to restate the obvious United Kingdom obligation to respect its commitments under the agreement.

Paragraph 7 (Travel, Rights of Inhabitants)

Paragraph 7(A) Expands upon the subject covered in paragraph 6 of the text worked out in London, including residence and movement of persons and related property questions, and contains a general obligation to promote and facilitate such links on an equal basis. Specific measures however, remain in the form of recommendations from the Special Authority. The scope of such recommendations would include possible arrangements for compensation of Islanders wishing to depart. The text adds a requirement for Governments to reply promptly (but not necessarily affirmatively) to such recommendations, and further empowers the authority to monitor implementation of proposals adopted.

Paragraph 7(B) Had no counterpart in the text we discussed in London. It derives from an Argentine desire to document support of protection of Islander rights (presumably under a future Argentine Administration resulting from the Agreement but the timing was unclear in their draft). It refers to various rights enjoyed by the inhabitants heretofore on the Islands, and secures them pending a definitive settlement on an equal basis to both United Kingdom and Argentine Residents.

Paragraph 8 (Negotiations)

This paragraph has seen a number of changes. The "Interim Period" has now been clearly linked to the negotiation process in an attempt to permit other substantive provisions to potentially survive 31 December. The text describes the objective of an agreement on "Modalities" by which the Islands might be removed from the list under Chapter XI of the United Nations Charter (following a United Kingdom suggestion), and on mutually agreed conditions for their definitive status. The "Decolonization" reference theoretically would not preclude any kind of future status for the Islands, except perhaps the status quo ante. Mutual agreement was

SECRET

viewed as an important element by the Argentines to preclude unilateral steps. The conditions are stated to include "due regard" - which will obviously vary in weight in the eyes of the two signatories - for the right of the inhabitants and the principle of territorial integrity "applicable to this dispute". The Argentines will argue that the rights of the inhabitants refer only to individual rights, and not a "collective" right of self-determination. The Argentines will argue that a principle of territorial integrity with the mainland applies; the reference could equally be argued to mean the Islands should not be partitioned or dismembered in the process of change of status. These references in effect recall the differing positions of the two parties throughout this dispute. Self-determination is reinforced by United Nations Charter and Resolution 1514 references; the Argentines cite territorial integrity language in 1514 and insisted on reference to UNGA Resolutions on the Islands. Explicit reference to 2065 is retained (the United Kingdom accepted such a reference in the 1971 Agreement with Argentina on the Islands), but there is a subordinate general reference to the others (including Resolution 31/49 which the United Kingdom opposed). These Resolutions are described by the United Nations Agenda heading under which they appear, within quotation marks and including the alternative names of the Falklands.

Paragraph 8(B) Responds to Argentine concern that good faith negotiations may not occur to produce a result by the deadline. United States assistance to the negotiations would be conditional on a request from both governments.

Haig

20 April 1982

SECRET

SECRET

3. COVERING MESSAGE FROM MR HAIG TO THE
FOREIGN AND COMMONWEALTH SECRETARY

Dear Francis

Here as you suggest in your latest message is the current text, along with our gloss on what it means. Costa Mendez has given me a letter saying that Argentina could accept it if the United States proposes it, and Britain accepts.

My own disappointment with this text prevents me from attempting to influence you in any way. As you will see, there are significant steps back from the text you and I discussed in London in each of the areas of greatest importance: the longterm negotiations, the interim administration, and withdrawal.

What has been secured in each case is British control. You would undertake to negotiate and conclude a long term agreement, but your principles as well as Argentine principles are asserted, and there is nothing in the agreement (as the Argentines keep reminding us) that forces you to accept a negotiated settlement you don't want.

The interim administration is less advantageous than it was, yet here again the essential is saved. The local councils remain sovereign. Recommendations to you on more intercourse with the mainland requires a quick response. But can be turned down. If the temporary administration lasts, it will give full protection to the islanders.

Finally, the withdrawal deal leaves you protected. Your submarines would be outside 150 nautical mile maximum - but they are your guarantee, and 150 nm is only five hours running time. The fleet must stand off to 1750 nm by seven days after agreement, but it could steam at 12 knots some 2100 nm after agreement, and thus in most cases (depending on when agreements were to take place) go on steaming towards the Falklands after agreement.

Francis, I do not know whether more can be wrung out of the Argentines. It is not clear who is in charge here, as many as 50 people, including corps commanders, may be exercising vetos. Certainly, I can do no better at this point.

SECRET

SECRET

I would not presume to speculate in the equities seen from your point of view. From mine the agreement, if accepted, would involve the Argentines far more intimately in the affairs of the Islands, yet leave you in charge of the current situation and the ultimate destiny. Above all, Argentina, the United States and the United Kingdom would be bound together in the search for an evolutionary solution to the problem, with obvious future costs to each of us if it cannot be found. Only you can judge that outcome against the advantages and disadvantages of armed action.

My best immediate judgement in this situation is that I should return to Washington and report to the President. I am available, of course, to go on immediately from there to London, or even to divert from Washington to London, if you wish.

Leaving here, I will refuse to characterize the text, and say only that I have finished this phase of my effort, and am returning to Washington to report to the President. I will say that I have given you a full report of the results of my stay in Buenos Aires.

I would be deeply grateful if you would be in touch with me before taking any public or other action on these results I am transmitting.

Warm regards, Al.

SECRET

4. DRAFT PROPOSALS AGREED BETWEEN MINISTERS AND
THE UNITED STATES SECRETARY OF STATE BEFORE HIS MOST
RECENT VISIT TO BUENOS AIRES

1. On the basis of United Nations Security Council Resolution No 502, and noting relevant United Nations General Assembly Resolutions, Argentina and the United Kingdom have agreed on the following steps, which form an integrated whole:

2. All military and security forces other than local police shall be withdrawn within a short period of time, but not later than two weeks from the date of this agreement, from three areas defined by circles of 150 nautical miles radius from the following coordinate points;

- | | | |
|-----|--------------------|--------------------------|
| (a) | Lat. 51° 40' South | |
| | Long. 59° 30' West | [Falklands] |
| (b) | Lat. 54° 20' South | |
| | Long. 36° 40' West | [South Georgia] |
| (c) | Lat. 57° 40' South | |
| | Long. 26° 30' West | [South Sandwich Islands] |

3. After the date of this agreement and pending a definitive settlement, no military or security force shall be introduced into the areas defined in paragraph 2 above. On completion of the withdrawal specified in paragraph 2, all forces that have been deployed in connection with the current controversy shall be redeployed to normal duties.

4. The United Kingdom and Argentina shall each appoint, and the United States agrees to appoint, a representative to constitute a Special [Interim] Commission which shall provide observers to verify compliance with the obligations in the preceding paragraphs. Each Commissioner may be supported by a staff or not more than ten persons.

5. On an interim basis, all decisions, laws and regulations hereafter adopted by the local administration on the islands shall be submitted to and expeditiously ratified by the Special [Interim] Commission, except in the event that the Special [Interim] Commission deems such decisions, laws or regulations to be inconsistent with the purposes of this agreement or its

implementation. The traditional local administration shall continue, including the Executive and Legislative Councils, which would be enlarged to include representatives of the Argentine population whose period of residence on the islands is equal to that required of others entitled to representation, such representatives to be in proportion to that population subject to there being at least one such representative on each Council. The Special [Interim] Commission shall fly the flag of each of its constituent members at the Commission's headquarters.

6. The Special [Interim] Commission shall make specific recommendations to the two Governments or to the Executive and Legislative Councils, to facilitate and promote travel, transportation, communications and trade between the mainland and the islands.

7. Within a short period of time, but not later than two weeks from the date of this agreement, steps shall be taken to terminate the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. Likewise, the United Kingdom shall request third countries that have adopted similar measures to terminate them by that date.

8. December 31, 1982 will conclude the interim period. During this period, the signatories shall negotiate with a view to determining the future definitive status of each of the three groups of islands consistently with the purposes and principles of the UN Charter, United Nations General Assembly Resolutions 1514 (XV) and 2625 (XXV) and, so far as islands with a settled population are concerned, in accordance with the wishes and interests of that population, which shall be ascertained by a sounding of their opinion to be supervised by the Special Commission. If it is not possible to complete the processes envisaged in this paragraph by December 31, 1982, the interim period may be extended for (three) months by agreement between the parties.

SECRET

After these proposals had been given to Mr Haig, he was subsequently informed by the Foreign and Commonwealth Secretary that there was one aspect of the matter which greatly concerned the Prime Minister and her Ministerial colleagues. Having been the victim of one sudden attack, the British Government could not risk the same thing again following a withdrawal of Argentine troops. The best way of minimising this risk would be a concrete arrangement involving the United States, which would provide an effective deterrent to further Argentine use of force. The methods of achieving this would have to be discussed further, but the Foreign and Commonwealth Secretary emphasised the importance of such an arrangement to Her Majesty's Government and Parliament.

SECRET