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Prime Minister

(2)

Would you like a discussion when we can fit it in after the Franks debate?

A-F.C. 1/1

MR. COLES

THE FUTURE OF THE FALKLANDS

1. I am not writing this minute specifically in the context of the House of Commons debate next week on the Franks Report. However, the Prime Minister might like to have some of the following thoughts to turn over in her mind.
2. I am an unashamed hard-liner on the question of negotiations. I think that my view is shared by most intelligent people of good will. To put it bluntly, there was a time when it was possible to negotiate with the Argentines on peripheral subjects such as joint economic development, communications, education, etc, thus blurring the central issue of sovereignty. With the Argentine military humiliation, this kind of thing has become impossible. Any negotiations, to be acceptable to Argentina, would have to be about sovereignty and nothing but sovereignty. This is totally unacceptable to us. Hence, we must continue to adopt an inflexible line on this question. If we try to shade the meaning of what we are saying in order not to give offence, eg to our partners and allies, the passion for negotiation which grips the greater part of the world will take over and we will find ourselves on a slippery slope.
3. Having said this, we must at the same time recognise that our position internationally is going to become increasingly isolated and our nerves are going to have to be correspondingly strong. To put it in UN terms, the number of abstentions on a "negotiations resolution" at each General Assembly will dwindle: I doubt whether we will be able to hold EC in the 1983 GA to an abstention position: and we will fairly soon find ourselves accompanied only by micro states such as Caribbean Islands and states with special interests such as Guyana. Our position is not eased by the fact that we are ourselves constantly urging negotiations on others, eg the Arabs to negotiate with Israel, the black Africans to negotiate with the South Africans, and so on and so forth. Never mind. We must be prepared if necessary to see ourselves in a minority of one. Once we put a toe on the slippery slope, we will find ourselves sliding down it with increasing speed.
4. There is, however, another aspect which I think will shortly begin to develop in the internal debate in this country, perhaps amongst our

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/allies and partners

allies and partners as well. Those people who accept that we cannot and will not negotiate over sovereignty with Argentina are already casting about for some kind of internationalisation of the problem. For example, Lord Carrington is reported in The Times of 20 January as saying that a new Antarctic Treaty allowing British Administration of the Falklands under international sovereignty was an eventual answer to Anglo-Argentine confrontation. This idea of an extension of the Antarctic Treaty to encompass the Falklands and the Dependencies has been aired by others and has been put to me in private by a number of people. By the same token, I have just read an article in the Contemporary Review by Lord Stamp in which he proposes an analogous solution. This is that the Falklands should be constituted as a "Falklands Trust" which should be administered in the interests of development of natural resources in the Falklands, the Dependencies and in Antarctica on behalf of the Third World. His idea is that this organisation should come under the aegis of the World Development Fund proposed in the Brandt Report. It should have a Board of Trustees on which developed and developing countries should be equally represented, and so on. As the Prime Minister no doubt knows, Julian Amery and others have a grandiose concept of establishing a South Atlantic Treaty Organisation to include South Africa, Argentina, Chile, the United States and ourselves in which the Falkland Islands would be incorporated as a strategic base. There are other such ideas abroad, for example the formation of a mini Antarctic-type Treaty to include the United States, ourselves, Uruguay, Chile and Argentina in which sovereignty claims over the Falklands and Dependencies would be frozen with the Islands being developed and used only for peaceful purposes.

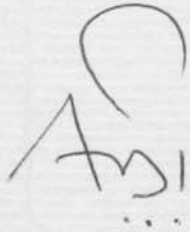
5. All these notions are being floated as long term possibilities designed to escape from the sterile confrontation over sovereignty and the indefinite continuation of "Fortress Falklands". It is easy to demolish all of them: for example an extended Antarctic Treaty would introduce six Communist States, including the Soviet Union, to the Falklands and the Dependencies. It would be difficult, if not impossible, to devise a permutation of "internationalisation" which would hold water and meet all our desiderata. It is in any case too early to do so. Nevertheless, I believe that this particular aspect of the debate will intensify in the weeks and months ahead. We will be expected to take a view on the general proposition, certainly in private, if not in public as well. I do not want to bore the Prime

/Minister with a

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Minister with a written critique of these various propositions.
Perhaps she might like to have a word about this minute when she
has any time to spare.



A.D. PARSONS
20 January 1983

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