RECORD OF A MEETING HELD AT 10 DOWNING STREET ON MONDAY 12 APRIL 1982 AT 1755 HOURS

Present

The Prime Minister

Home Secretary

Foreign and Commonwealth Secretary

Secretary of State for Defence

Chancellor of the Duchy of Lancaster

Chief of Defence Staff

Sir Robert Armstrong

Sir Antony Acland

Sir Ian Sinclair

Mr. Wade-Gery

Mr. Ure

Mr. Whitmore

The Hon. Alexander M. Haig General Vernon Walters

The Hon. Thomas O. Enders

Mr. David Gompert

Mr. James Rentschler

Mr. Scott Gudgeon

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The meeting considered the American draft agreement as revised by British officials.

Paragraph 1: This was agreed.

Paragraph 2: The British side agreed to let the Americans know precisely how the co-ordinate points had been calculated.

It was also agreed that the demilitarised areas referred to airspace as well as land and sea space.

Paragraph 3: It was agreed to delete the words "other than local police".

Mr. Haig said that once an agreement had been signed, the Americans wanted the British Task Force to stop and stand off. If after the Argentinians had committed themselves to withdrawing from the Falkland Islands in two weeks, the British

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newspapers continued to report that the Task Force was proceeding southwards, President Galtieri would not survive. The Americans were not asking for the fleet to be turned round: they would not support such a request. But they were asking for it to be halted once agreement had been reached. Without such a provision the draft agreement would have no chance of being accepted in Buenos Aires, and it would be better to call off the whole attempt to achieve a diplomatic solution.

Mr. Enders added that it was not so much a question of the distance between the Task Force and the Falkland Islands, as the direction in which it was travelling.

The Prime Minister said that she would not survive in the House of Commons if the Task Force was stopped before the Argentinian withdrawal had been completed. She was, however, ready to let the troop ships proceed more slowly once an agreement had been signed. But she had to let the rest of the Task Force proceed towards the Falkland Islands. fact was that it was the Argentines who had gained by their aggression, and she saw no reason to give them the benefit of Britain needed the Task Force close to the doubt any more. the Falkland Islands: we could not rule out Argentine's reversing their withdrawal and putting forces back into the Islands or re-invading the Islands, probably by air. There could not be a basis of trust between Britain and the Argentine after what We were prepared to halt the Task Force at had happened. the same distance from the Falkland Islands as the Argentine was from the Falklands, but we could go no further than that. We could not let ourselves be put in a position where we were worse off than the invaders. Their insurance policy was their bases. Ours was the Task Force.

Mr. Haig said that the United Kingdom's position on the Task Force would not be understood publicly. Once the Argentine had decided to withdraw, the United Kingdom would be

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seen to have won. Nobody would understand if the Task Force went on sailing towards the Falklands. If it was halted, it would make no difference to Britain's military position; but if it did not stop, it would put the whole agreement at risk. Once the withdrawal had started, Britain could announce that it would hold the Task Force in place until the withdrawal had been completed. If the withdrawal was reversed, or even slowed down unreasonably, the Task Force would sail on.

The Prime Minister said that under the proposed agreement the Argentine would gain something from the invasion and occupation of the Islands, whereas we, the wronged party, would be the losers. In this situation it would be impossible for her to persuade Parliament to accept Mr. Haig's proposal with regard to the Task Force.

Mr. Haig said that rather than try to agree on a re-draft of paragraph 3, it would be better to go back to the original wording and for the Americans to try to finesse it with the Argentinians who were bound to raise it. It would help if the paragraph referred to all the forces that had been deployed in connection with the current controversy being re-deployed to normal duties, once the withdrawal had been completed.

Paragraph 4: It was agreed that, although the figure of ten persons for each Commissioner's staff might be too small, the number should remain a low one. These people were separate from the observers.

Mr. Haig said that the use of the word "interim" to describe the Commission might give rise to Argentinian suspicions, however unreasonably. The Prime Minister said that it could be dropped if necessary.

Paragraph 5: Mr. Haig said that the requirement for the Commission to be unanimous in deciding whether the acts of

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the local administration were inconsistent with the purposes of the agreement would destroy any chance of gaining Argentine acceptance of the agreement.

The Prime Minister said that without the word "unanimous" the United States would become the referee on everything, but if the Argentines argued strongly against the word, she would be prepared for it to be dropped.

After a lengthy discussion about the best way of defining the Argentine population for the purposes of representation on the two councils, it was agreed that they should be subject to the same qualifying period of residence as others who were entitled to representation.

<u>Paragraph 6:</u> After it was pointed out that the 1971 Anglo-Argentinian Agreement referred to the Argentine mainland, it was agreed that the words "the mainland and the Islands" should be left in this paragraph.

The British side rejected an American suggestion that there should be a reference in this paragraph to immigration. This was a highly controversial subject, particularly since the position of the Falkland Islanders had recently been changed in the Nationality Act, and any mention of it in this agreement would give rise to a great deal of trouble.

Paragraph 7: After a long discussion on the lifting of economic and financial sanctions, the British side agreed not to insist upon a provision that such sanctions would be lifted only when the Argentinian withdrawal had been completed. It was pointed out that the United Kingdom could decide the timing of the removal of sanctions when they saw how the withdrawal was going.

Paragraph 8: This paragraph was agreed.

The meeting ended at 2030.

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