



Foreign and Commonwealth Office

London SW1A 2AH

16 April 1982

Dear John,

Falkland Islands Company

Willie Rickett wrote to me on 15 April reporting Mr Needham's call on the Prime Minister on 15 April and asking for advice.

Mr Pym is inclined to doubt whether any general evacuation of the sort which Mr Needham appears to have in mind would necessarily be in line with the wishes of the Islanders (their views on this appear very mixed and the telexes provide no convincing evidence either way); or that it would be allowed by the Argentine authorities (who may want to hang on to a substantial proportion of the population as hostages against a military assault). He therefore does not think that any authorisation should be given to Mr Needham to encourage a general evacuation: individuals and companies such as his will have to make their own decision in the light of particular circumstances.

Mr Pym also does not believe that we should give assurances about the Falkland Islands Company (FICo) not losing financially, or the Islanders being in a position to rescue their savings from the Falklands, at this juncture. The question of reparations for losses resulting from the Argentine invasion or subsequent hostilities - whether these losses are incurred by companies or by individuals - will have to be part of a larger long-term settlement. They should not be made the subject of individual undertakings at this stage. However, Mr Pym entirely shares the Prime Minister's 'determination that nothing should stand in the way of those Islanders who wished to return to the UK'. The enclosed draft letter to Mr Needham indicates that arrangements are being made to give the necessary support to any Islanders who have either been deported or made arrangements for their own evacuation from the Islands. The letter is drafted as from the Prime Minister, since past experience shows that Mr Needham will not take anything else, for example a Private Secretary letter, as representing her views.

This is obviously a question of some importance and the Prime Minister may wish to discuss it further, for example in

/ODSA



ODSA, before replying to Mr Needham.

I am copying this letter, with the enclosed draft, to John Halliday (Home Office), David Omand (Ministry of Defence) and David Wright (Cabinet Office)

Yours ever

John Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

LETTER

DRAFT: minute/letter/teleletter/despach/note

TYPE: Draft/Final 1+

FROM:

Reference

PRIME MINISTER

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

C E Needham Esq
 Chairman of the Falkland Islands
 Company

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

Thank you for calling on 15 April to give me an account of your contacts with the Falkland Islands over the past few days. This was a great help to me in keeping abreast of developments there. I am returning to you the telex messages which you showed me. We are, of course, treating them in strict confidence

You suggested that you might pass messages back to your employees and their dependants on the Islands about evacuation. This must be a matter for you and your company. We have noted that a large number of Islanders who normally live in Port Stanley have been permitted to leave for the countryside ('the camp') where they will presumably be safer in the event of any hostilities. There is conflicting evidence about how many of the Islanders wish to leave now and it seems no general pattern has yet emerged. Indeed, it is

/likely

Enclosures—flag(s).....

likely to remain essentially a personal decision for individuals. There is no machinery through which the Islanders can express their collective views as long as the Islands remain under Argentine occupation. We remain doubtful in any case whether the Argentine authorities would themselves permit any general evacuation of the Islands by the British inhabitants.

However, I do feel strongly that anyone who wishes to leave should not be prevented from doing so by financial circumstances. We have therefore given some thought to this aspect of the problem. At present we understand that most of those who have left have been deported by the Argentine authorities without charge; nor do we anticipate that there would be problems for Islanders if required to pay for their passage to the Argentine mainland since Falklands Islands currency still appears to be valid on the Islands. We recognise however that there are very real problems for those Islanders who reach Montevideo and wish to continue their journey back to the United Kingdom. We have therefore instructed our Embassy at Montevideo to give sympathetic help under our normal rules to any Islanders who are in this position. They may be sure that no-one will be left stranded there for want of funds.

Equally we understand that most Islanders who might return to the UK would have family, friends or employers (such as your own company) to help them in any temporary

settlement problems here. As I told you, the Home Office will adopt a cooperative attitude towards immigration problems for any Falkland Islanders who do not have right of abode in the UK, and the social services would also lend full and sympathetic assistance in meeting the immediate needs of Islanders who arrive here.

I hope you will keep in touch with us about developments on the Islands and anything further you may learn about conditions there and the intentions of the Islanders. I am - as you know - determined to stand by them in the difficulties, dangers and anxieties that are facing them in the days ahead.