CONFIDENTIAL covering



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From the Principal Private Secretary

6 May 1982

Den Bonni,

FALKLAND ISLANDS

I attach a copy of a message about the Falkland Islands which the Prime Minister sent to President Reagan yesterday evening.

As you will see, it was very much a personal message, and I should therefore be grateful if you and the copy addressees of this letter could ensure that it is given only the most limited circulation.

I am sending copies of this letter and of the Prime Minister's message to John Halliday (Home Office), David Omand (Ministry of Defence), Keith Long (Office of the Chancellor of the Duchy of Lancaster) and David Wright (Cabinet Office).

This m, their .

Brian Fall Esq., Foreign and Commonwealth Office.

PRIME MENSTER'S Ø52Ø3ØZ MAY 82 PERSONAL MESSAGE FM CABINET OFFICE BERIAL No. TO WHITE HOUSE SECRET MESSAGE FROM THE PRIME MINISTER TO PRESIDENT REAGAN. DEAR RON, MY CABINET COLLEAGUES AND I SPENT SOME FOUR HOURS EARLIER TODAY CONSIDERING AL HAIG'S LATEST PROPOSALS. FRANCIS PYM HAS REPLIED ON OUR BEHALF, BUT I AM WRITING TO YOU SEPARATELY BECAUSE I THINK YOU ARE THE ONLY PERSON WHO WILL UNDERSTAND THE SIGNIFICANCE OF WHAT I AM TRYING TO SAY. THROUGHOUT MY ADMINISTRATION I HAVE TRIED TO STAY LOYAL TO THE UNITED STATES AS OUR GREAT ALLY, AND TO THE PRINCIPLES OF DEMOCRACY, LIBERTY AND JUSTICE FOR WHICH BOTH OUR COUNTRIES STAND. IN YOUR MESSAGE YOU SAY THAT YOUR SUGGESTIONS ARE FAITHFUL TO THE BASIC PRINCIPLES WE MUST PROTECT. BUT THE PRESENT RULERS OF THE ARGENTINE WILL NOT RESPECT THOSE PRINCIPLES, AND I FEAR DEEPLY THAT IF A SETTLEMENT BASED ON YOUR SUGGESTIONS IS EVENTUALLY ACHIEVED, WE SHALL FIND THAT IN THE PROCESS OF NEGOTIATION DEMOCRACY AND FREEDOM FOR THE FALKLAND ISLANDERS WILL HAVE BEEN COMPROMISED. ABOVE ALL, THE PRESENT PROPOSALS DO NOT PROVIDE UNAMBIGUOUSLY FOR A RIGHT TO SELF-DETERMINATION, ALTHOUGH IT IS FUNDAMENTAL TO DEMOCRACY AND WAS ENJOYED BY THE ISLANDERS UP TO THE MOMENT OF INVASION. WE ASKED YOU EARLIER THAT IT SHOULD BE INCLUDED EXPLICITLY. AL HAIG'S REPLY WAS THAT IT COULD NOT, BECAUSE THE ARGENTINES WOULD NOT ACCEPT IT AND THERE WOULD THEREFORE BE NO HOPE OF A SETTLEMENT. THIS HAS GIVEN ME AND MY COLLEAGUES VERY GREAT THIS IS WHY I HAVE TRIED TO TEMPER AL HAIG'S LATEST DIFFICULTY. PROPOSALS A LITTLE BY SUGGESTING THAT THE INTERIM ADMINISTRATION MUST AT LEAST CONSULT WITH THE LOCALLY ELECTED REPRESENTATIVES. IT IS NOT MUCH TO ASK - AND I DO NOT THINK THAT YOU WILL TURN IT DOWN . I TOO WANT A PEACEFUL SETTLEMENT AND AN END TO THE MOUNTING LOSS OF LIFE IN THE SOUTH ATLANTIC. I ALSO BELIEVE THAT THE FRIENDSHIP BETWEEN THE UNITED STATES AND BRITAIN MATTERS VERY MUCH TO THE FUTURE OF THE FREE WORLD. THAT IS WHY, WITH THE CHANGES FRANCIS PYM HAS SUGGESTED TO AL HAIG, WE ARE READY, WITH WHATEVER MISGIVINGS, TO GO ALONG WITH YOUR LATEST PROPOSALS. ASSUMING THAT THEY ARE ACCEPTED BY THE ARGENTINES, THEN DURING THE NEGOTIATION PERIOD THAT WILL FOLLOW WE SHALL HAVE TO FIGHT FIERCELY FOR THE RIGHTS OF THE FALKLANDERS WHO HAVE BEEN SO LOYAL TO EVERYTHING IN WHICH YOU AND WE BELIEVE. WARM PERSONAL REGARDS MARGARET.

SECRET Message from the Prime Minister to President Reagan Dear Ron, My Cabinet colleagues and I spent some four hours earlier today considering Al Haig's latest proposals. Francis Pym has replied on our behalf, but I am writing to you separately because I think you are the only person who will understand the significance of what I am trying to say. Throughout my administration I have tried to stay loyal to the United States as our great ally, and to the principles of democracy, liberty and justice for which both our countries stand. In your message you say that your suggestions are faithful to the basic principles we must protect. But the present rulers of the Argentine will not respect those principles, and I fear deeply that if a settlement based on your suggestions is eventually achieved, we shall find that in the process of negotiation democracy and freedom for the Falkland Islanders will have been compromised. Above all, the present proposals do not provide unambiguously for a right to self-determination, although it is fundamental to democracy and was enjoyed by the Islanders up to the moment of invasion. We asked you earlier that it should be included explicitly. / Al Haig's

Al Haig's reply was that it could not, because the Argentines would not accept it and there would therefore be no hope of a settlement. This has given me and my colleagues very great difficulty. This is why I have tried to temper Al Haig's latest proposals a little by suggesting that the interim administration must at least consult with the locally elected representatives. It is not much to ask - and I do not think that you will turn it down.

I too want a peaceful settlement and an end to the mounting loss of life in the South Atlantic. I also believe that the friendship between the United States and Britain matters very much to the future of the free world. That is why, with the changes Francis Pym has suggested to Al Haig, we are ready, with whatever misgivings, to go along with your latest proposals. Assuming that they are accepted by the Argentines, then during the negotiation period that will follow we shall have to fight fiercely for the rights of the Falklanders who have been so loyal to everything in which you and we believe.

Warm personal regards,

Margaret