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SOUTH ATLANTIC PRESENTATION UNIT (SAPU)

The attached paper issued at 1715 hours on 14 May 1982 contains suggested lines to take on the following -

1. Are we jeopardising military options by continuing to negotiate?
2. The negotiations in New York
3. Alleged differences within the Government
4. Why was HMS Sheffield not fitted with Sea Wolf?
5. Lt Cdr Astiz

Cabinet Office

14 May 1982

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1. Are we jeopardising military options by continuing to negotiate?

- There has been comment in the press and elsewhere on the lines that we cannot "continue to work for a peaceful settlement indefinitely without jeopardising our ability to enforce a military settlement should negotiations fail" (Daily Express, 14 May). The Prime Minister said in the Commons on 11 May that "the fact of negotiations does not close off any military option" and Mr Pym repeated this during the debate on 13 May. We have been applying military, economic and diplomatic pressures in parallel to achieve our aims but have constantly restated our resolve to remove Argentines by force if necessary - ie we have continued to negotiate in the hope of reaching a satisfactory peaceful settlement while building up our military strength in the South Atlantic.

First, we established the Maritime Exclusion Zone which cut off supply by sea to the Argentine occupation forces. Second, we recaptured South Georgia - very efficiently and with no loss of life. Then, we stepped up our blockade of the Falklands with the Total Exclusion Zone which has isolated the Argentines on the Falklands. And we have taken effective measures to enforce the blockade - air raids on Port Stanley and Goose Green airstrips, naval bombardments, and most recently the sinking of a supply vessel in the sound between the islands. Our grip is now very tight indeed.

All our military measures not only increase pressure on Argentina to negotiate; they also weaken Argentine military capability. There are good military reasons for not launching a premature invasion. We have to build up to each stage of military action to ensure success and the minimum risk of casualties (cf the methodical preparations for D Day). There is no question of the Government allowing itself to be embroiled in protracted negotiations if there is a chance they might weaken our military capability or do anything to put servicemen at risk.

2. The Negotiations in New York

There is no further news that we can report. Negotiations continue. As Sir Anthony Parsons said last night "we are still in business". There is a wide gap still on some important points, and we cannot predict the outcome.

Argentine flexibility on sovereignty?

- The Argentine position is different every time we hear it. General Galtieri said yesterday to TV Eye that negotiations would be without precondition but then spoke of a pre-established outcome and the need for the Argentine flag to stay flying. On Wednesday Costa Mendez stated that all negotiations must lead to recognition of Argentine sovereignty, etc, etc.

3. Alleged Differences within the Government

The Government is absolutely united behind the policies which it has adopted. It remains our highest priority to achieve an early negotiated settlement if that is possible. If the Argentines' intransigence prevents this they know that we will not flinch from ending the crisis in another way. It is irresponsible to fabricate differences between Ministers by distorting verbal differences. There is no difference of substance on any of the issues we face, including the issue of Argentine withdrawal.

As Mr Pym said in the House "when they demonstrate that readiness to withdraw is a reality we shall feel able and willing to match this - in ways yet to be determined - by standing our own forces off from the area of conflict". Details are under discussion in New York.

4. Why was HMS Sheffield not fitted with Sea Wolf?

- Considered fitting Sea Wolf to Type 42 destroyers (Sheffield class) over ten years ago - and again some five years ago. But it was found to be impracticable to fit both the Sea Wolf anti-missile system and the Sea Dart anti aircraft system on the same Type 42 ship. The Sea Wolf system is deployed with the Task Force on the Type 22 frigates (Broadsword class).

There has been press speculation that Sea Wolf could have been available on Type 42s if the radar for the planned lightweight version had been ordered from Holland rather than from Marconi. This is not so. Whichever radar the Navy had chosen, the new system could still not have been in service for several years and, in any case, it is probable that design problems will still prevent Sea Wolf being fitted to Type 42s even when the lightweight version is available.

5. Lt Cdr Astiz

Following formal representations by Swedish and French governments, Lt Cdr Astiz has not been repatriated with the other prisoners captured on South Georgia. This is to give the Government more time to consider the views of these two friendly countries. Only decision so far taken is not to return him on the same flight as the other prisoners.

We have explained position to International Red Cross in Geneva who accept that decision to repatriate rests with Britain. We shall, of course, fully abide by Geneva Conventions.