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Foreign and Commonwealth Office

London SW1A 2AH

10 June, 1982

Dear whike,

Mr Foot wrote to the Prime Minister on 9 June returning again to the points which he had raised at Question Time on 8 June, suggesting that Britain should bring another resolution before the Security Council concerning the Falkland Islands.

I enclose a suggested draft reply for the Prime Minister's signature, which we shall be submitting in parallel to Mr Pym. It draws on the line to take for use by the Home Secretary in the House of Commons this afternoon, which was approved by the Prime Minister in Bonn.

Ymrs eve

(J E Holmes) Private Secretary

M Pattison Esq Private Secretary 10 Downing Street

DSR 11 (Revised) DRAFT: minute/letter/teleletter/despatch/note TYPE: Draft/Final 1+ Reference FROM: Prime Minister DEPARTMENT: TEL. NO: Your Reference SECURITY CLASSIFICATION TO: Rt Hon Michael Foot MP House of Commons Top Secret Secret Copies to: Confidential Restricted Unclassified

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

Thank you for your letter of 9 June.

You mentioned the need to maintain the whole-hearted backing of our Allies. I can assure you that our Allies are giving us such backing. President Mitterrand's words at the conclusion of the recent Western Economic Summit Meeting at Versailles provide further evidence of the support we are getting from our friends.

We are not demanding the unconditional surrender of Argentine forces. We have made it clear that if the Argentine Commander on the Falkland Islands announces his wish to withdraw all Argentine forces to the mainland, we will allow him to do so with dignity and in good order. There need be no humiliation involved. This is the way that further fighting and bloodshed can be avoided.

We made clear to the Argentines before their invasion that we were prepared to discuss matters affecting the future of the Islands with them. Even after their invasion we were prepared to do so if they promptly withdrew. The record of the consultations which were

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carried out through the good offices of Mr Haig,
and the British paper on negotiations for a peaceful
settlement which we made available to Parliament on
20 May showed how far we were prepared to go to achieve
a negotiated settlement. But the Argentine response
was to insist on an ultimate transfer of sovereignty
to them as a precondition. This could not be acceptable.

Since our landings on the Islands and the losses which we have incurred it would be unthinkable to negotiate about the future of the Islands as if everything were still as it had been before. That would be an unforgiveable betrayal of those whom we have called upon to make such great sacrifices, even to give up their lives, because of the important principles at stake. We cannot allow the Argentines to demonstrate that they have been able to achieve progress in their attempts to impose their sovereignty over the Islands as a result of their aggression.

On the future of the Islands, we must of course consult the Islanders own wishes. They will need a breathing space to allow things to return to normal before they express their views. Rehabilitation and reconstruction must be our immediate priorities. In the longer term our concern will of course be to provide for both assured security for the Islands and prosperity for the Islanders. We are giving considerable thought to how these can best be achieved.

In all these circumstances, I cannot agree with you that there would be any advantage to be gained by seeking now to return to the Security Council. We remain in touch with the Secretary General, with

whom we have cooperated throughout. But no progress is now possible unless the Argentines change their minds, as it is always open to them to do, about withdrawal. Unfortunately they have shown no signs of such a change.

