



Good

10 DOWNING STREET

From the Private Secretary

6 March 1984

OD: ARGENTINA/FALKLANDS

The Prime Minister has seen the draft minutes of OD(84)1st Meeting (Item 2) and has approved them subject to the addition of the phrase "as part of the talks" after the word "raised" in the first sentence of the paragraph in which the Prime Minister sums up the discussion.

The Prime Minister has also indicated that the OD(FAF) meeting on Falklands Force Levels and Capital Works may take place in advance of the further OD discussion of Argentina/Falklands.

A. J. COLES

D.E.J. Jago, Esq.,
Cabinet Office.

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10 DOWNING STREET

Prime Minister.

Are you able to answer the
two questions below?

A.S.C. 57
13.

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CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 - 7280

T.06231

2 March 1984

Dear John,

As requested last night, I enclose the draft minutes of yesterday's OD consideration of Argentina/Falklands.

2. We will now be arranging suitable dates for the resumed OD discussion of this issue and the OD(FAF) meeting which had to be cancelled yesterday. It would be very helpful to have any guidance which came from yesterday evening's meeting between the Prime Minister and the Foreign and Commonwealth Secretary on whether both meetings should await the production of the revised paper on Argentina/Falklands or whether, in view of the penalties involved in delaying the required OD(FAF) decisions, this meeting concerned with Falklands Force Levels and Capital Works can be arranged at the earliest possible time, in advance of the further work which the Foreign and Commonwealth Secretary now has in hand.

James - enc
Daniel Jago

D E J JAGO

Prime Minister.

Yes not 1) Agree draft revised?

Yes not meeting may take place in advance of the latter OD discussion?

A J Coles Esq
10 Downing Street

A.J.C. 2/3.

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ARGENTINA/FALKLANDS

Previous Reference: OD(84)1st Meeting, Item 2

The Committee considered the response to be made to the Argentine reply to the British message of 26 January 1984, conveyed via the Swiss, suggesting six practical subjects which might be discussed between the two sides as a first step in the re-establishment of normal diplomatic and commercial relationships. They had before them a minute dated 29 February 1984 from the Foreign and Commonwealth Secretary to the Prime Minister.

THE FOREIGN AND COMMONWEALTH SECRETARY said that the United Kingdom had a difficult hand to play in attempting to re-establish normal diplomatic and commercial relations with the Argentine Government. The British started from the position that it must be recognised that there could be no discussion with Argentina over sovereignty over the Falkland Islands and Dependencies, nor could there be any suggestion that the wishes of the Falkland Islanders as to their future should be disregarded. These propositions should continue to be advanced without apology or qualification. As the Committee had agreed, an approach had been made to Argentina, through the Swiss, suggesting

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six practical subjects which might be discussed between the two sides as a first step in the re-establishment of relations. The Argentine reply had stated that the resumption of a dialogue must lead to negotiations on sovereignty within the framework of the United Nations. The Argentines also proposed that three further items be added to the agenda for any talks: the lifting of the Falkland Islands Protection Zone; halting the "fortification" of the Islands (including an end to the construction of the strategic airfield), and the withdrawal of "nuclear weapons or artifacts" from the region. Discussion of these topics would not be wholly disadvantageous to the United Kingdom, and the question therefore arose as to tactics in replying to Argentina. He proposed that the United Kingdom should accept talks without a formal agenda (thereby avoiding difficulties over the Argentine insistence that sovereignty be on the agenda) but on the understanding that the substance would comprise the original six points suggested to the Argentines, and their three additional items. The sovereignty issue could be dealt with, if the Argentines insisted that it must be raised, by each side stating its position, after which the talks would move on to other issues.

In discussion the following points were made -

a. There could be no question of sovereignty being on the agenda for the talks. Nor would it be appropriate for both sides to state their positions on sovereignty within the framework of the talks; their positions were already well known in public. If it became known that sovereignty had been mentioned in the context of the talks, the the wrong conclusion might be drawn. Any further statements on sovereignty should therefore be made elsewhere.

This suggested that the Argentines should be told that a necessary condition for starting talks was agreement by both sides that sovereignty would not be raised. The Argentines had expressed a desire to re-establish normal relations; it was therefore up to them to abandon their insistence that sovereignty be mentioned at the talks in order that progress could be made.

b. The lifting of the Falkland Islands Protection Zone might, according to the circumstances, be an appropriate response to a formal Argentine declaration that hostilities were at an end. Its inclusion in the topics to be discussed might therefore enable the

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United Kingdom to press for such a declaration. At the same time, the sincerity of any such declaration would have to be regarded with extreme caution.

c. The Argentine suggestion that the "fortification" of the Falkland Islands should be added to the agenda was considered to be inappropriate. Also the agenda item proposed on nuclear guarantees would need careful handling in view of the United Kingdom's policy of neither confirming nor denying the presence of nuclear weapons and the Argentine failure to sign the Treaty of Tlatelolco.

THE PRIME MINISTER, summing up the discussion, said that a necessary condition for starting talks would be an agreement by the Argentines that the issue of sovereignty would not be raised. ^{as part of the talks.} The Committee was not yet ready to reach decisions on the remaining issues under consideration. They would resume their discussion at a later date on the basis of a revised paper from the Foreign and Commonwealth Secretary.

The Committee -

Took note, with approval, of the Prime Minister's summing up of the discussion and invited the Foreign and Commonwealth Secretary to proceed accordingly.