



Foreign and Commonwealth Office

London SW1A 2AH

28 April 1982

Dear John,

Falklands: Debate in Parliament on 29 April

I enclose, as requested, draft material for the Prime Minister's opening speech. Most of this has been drafted on the assumption that Argentina will not before tomorrow afternoon have made known a decision definitely to accept or reject Mr Haig's proposals. The exception is the passage about the contents of the draft agreement and the good and bad elements in it, which have been drafted on the assumption that Argentina has taken a decision and that either the contents of the agreement have been published or Mr Haig has agreed to our revealing them.

I am sending copies of this letter to the Private Secretaries to the Defence Secretary, the Lord Privy Seal, the Chancellor of the Duchy of Lancaster and Sir Robert Armstrong, and to Simon Fuller in the Cabinet Office.

Yours ever

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RECENT DEVELOPMENTS

I should begin by bringing the House up-to-date on events since my last statement on Tuesday.

The United States Government put their formal proposals for a settlement of the present crisis to the Argentine Government on 27 April. They requested a very early response. Mr Haig has also given his proposals to us. We have been studying them carefully. The proposals are the result of Mr Haig's travels to London and Buenos Aires and his discussions with my Rt Hon Friend in Washington last week. The important new development is that these proposals have now, for the first time, been put to Argentina formally and in their entirety and with the full authority of the United States.

Until we know whether Argentina is prepared to accept these proposals, we cannot make their contents public. The key elements remain the same as in earlier versions. They are the arrangements for Argentine withdrawal from the Islands, the nature of the administration of the Islands after the withdrawal and pending a final settlement of the Falklands problem, and the framework for negotiations about the future of the Islands.

We must now see whether Argentina is willing to reach a negotiated settlement involving her withdrawal from the Falklands and the implementation of Security Council Resolution number 502. It is obvious that all the arrangements must hinge on Argentine agreement to withdraw. That is the

key to the whole process. It was the Argentine invasion that started this crisis and it is Argentine withdrawal that must put an end to it. *So long as (we do not) know the decision* in Buenos Aires, we shall continue to maintain maximum pressure so as to make perfectly clear to Argentina that refusal to accept a negotiated settlement can only intensify the crisis and increase the risks.

[Passage on military developments]

It is our understanding that the majority of the Falkland Islanders prefer to stay where they are. This is a remarkable testimony to their attachment to their native Islands. We do not envisage that our imposition of a Total Exclusion Zone should affect their well-being. Transit through the zone can take place with our permission. Under the fourth Geneva Convention, Argentina as the occupying power is forbidden to force people to remain in an area particularly exposed to danger. And now that the International Red Cross has received a response from the Argentine Government to its offer of assistance, we would hope that it would be possible with their help or by another means to arrange the evacuation of any Islanders who might still wish to depart.

Meanwhile, in order to sustain morale on the Islands, the BBC has begun broadcasting daily instead of once a week. Personalities such as the Governor and the

Chief Secretary have taken part in these broadcasts. The Islanders can also receive the World Service of the BBC, and audibility is believed to be good.

After the recapture of South Georgia we were able to reassure ourselves that the 13 British Antarctic Survey personnel and the two wildlife photographers have come to no harm. They are shortly to be evacuated by our forces from the Island, but it is our firm intention that their important scientific work should be able to continue in the future.

THE US PROPOSALS

DESCRIPTION

The proposals take the form of a draft agreement between Britain and Argentina. There are ten paragraphs. The main elements are as follows.

Argentine and British forces are required to withdraw from three zones of 150 nautical miles radius around the Falkland Islands themselves, South Georgia and the South Sandwich Islands. The withdrawal is to start within 24 hours of the date of signature of the agreement.

Half of the forces are to be withdrawn within 7 days, and ^{within} 15 days ~~all of them~~ must have withdrawn and redeployed to their usual ~~duties~~. The United States is to verify this withdrawal.

operating
as in
normal
duties

British and Argentine economic sanctions would be terminated simultaneously and without delay. The UK would ask her partners in the European Community and the Commonwealth to lift their economic sanctions too.

The local administration in the Islands would be reestablished to a very large degree. Two representatives would be appointed by the Argentine Government ^{to the Executive Council} and the Argentine population of the Islands would also be represented on the Executive and Legislative Councils in proportion to their numbers.

A Special Interim Authority of one representative each from Britain, the United States and Argentina would be established for the interim period lasting until 31 December 1982. The local administration would refer new decisions, laws and regulations to this Authority, /which

which would ratify them unless it deemed them to be inconsistent with the agreement.

Pending a definitive settlement, travel, transportation, movement of persons and related questions of residence, ownership and disposition of property, communications and commerce between Argentina and the Islands are to be promoted on a non-discriminatory basis and without prejudice ^{to} the rights and guarantees enjoyed by the Islanders in the past. The Special Interim Authority is to ^{propose} ~~press~~ measures on these matters to the Governments of Britain and Argentina.

During the interim period until the end of this year, Britain and Argentina ^{are to} ~~would~~ complete negotiations on the future of the Islands. The Special Interim Authority ^{is to} ~~would~~ make proposals to the two Governments to assist them in their negotiations, notably on the manner of taking into account ~~the~~ the wishes and interests of the Islanders, based on the results of a sounding of ~~the~~ opinion ~~of the~~.

THE UNWELCOME FEATURES OF THE PROPOSALS

I shall describe in a moment the better features of these proposals. But I will not hide from the House that there are regrettable features. Britain would be required to withdraw not only ~~her~~ naval forces from the zones around the Falkland Islands, South Georgia and the South Sandwich Islands, but also ~~the~~ the forces who have just retaken South Georgia. // Another feature that I do not like

is the addition of Argentine members ^{to} the Executive and Legislative Councils, although they would ^{probably} be in a minority of 3 out of 9 in the Executive Council and 1 out of 12 in the Legislative Council. Yet another problem is that the ^{Governor in person} ~~creation of the Special Interim Authority would remove the role of the Governor~~ ^{would be absent} in the interim period. ^{An officer to administer his functions would be appointed from London.}

A further problem concerns the way in which the draft describes the subject matter ^{for the} negotiations about the future of the Islands. The words used seem to exclude one possible outcome, namely a return to the status quo that existed before the invasion.

THE BETTER FEATURES OF THE PROPOSALS

First and foremost among the better features is that Argentina would withdraw from the Falkland Islands and her aggression would be ended. Second, the traditional administration in ^{major} most respects would be restored. Third, ^{measures to} the facilitation ^{and contacts} of commerce between the Islands and Argentina would be subject to ^{the} agreement ^{of} the British government. As to the very important question of the scope of future negotiations, it is good that the agreement ^{envisages that} ~~provides for~~ the Islanders ^{should} be consulted. Moreover, Britain would not be obliged, despite the target date of 31 December for a conclusion of negotiations, to agree to any particular outcome. And ⁱⁿ negotiating ^{we} would of course be guided by the wishes of the Islanders. We ^{have} resisted far worse ^{descriptions} settlements of the subject matter for future negotiations, so that ^a /transfer

transfer of sovereignty, for instance, is not stated as the intended outcome. The essential meaning of this passage in the draft agreement is that any outcome to negotiations is possible, with the single, most regrettable exception of the exact status quo. ^{a return to}

INTERNATIONAL COURT OF JUSTICE

Some honourable [redacted] Members have shown interest in a possible role for the International Court of Justice in the present dispute. Since Argentina does not accept the compulsory jurisdiction of the Court, the matter cannot be referred [redacted] without her agreement. The House is aware that we have four times tried to get Argentina to agree to submit the question of sovereignty over the Falkland Islands Dependencies to the [redacted] Court. Argentina has always declined.

There is no reason to suppose that Argentina would behave otherwise at present. ^{And} [redacted] there is no reason, given the past history of this question, for Britain, which has sovereignty and is claiming nothing, to make the first move. It is Argentina that is making a claim. If she wanted to refer it to the International Court, we should consider the possibility very seriously.

But let us not forget that Argentina, having accepted arbitration on the Beagle Channel dispute with Chile, then refused to accept its results. It is difficult to believe in Argentina's good faith with that very recent example in mind.

Next Stages

I have made it clear that our hopes for a peaceful settlement continue to be based on Mr Haig's efforts. What then will happen if Argentina does not accept the results of those efforts?

If I were the Argentine junta that is exactly the question I would be asking myself anxiously. What would in fact have changed? The most satisfactory and acceptable mediator would have failed with little prospect of any other, whether the UN, a Third World statesman or whoever, having any real chance of succeeding in his place. But all the pressure on Argentina would remain and continue to intensify. The Task Force would still be advancing, gradually tightening the pincers round the Islands. The international pressure would still be on, perhaps supported by new measures from those countries which have hitherto remained even-handed but which would now realise that Argentina ^{will} ~~would~~ ^{only to} ~~only~~ respond ~~to further~~ coercion. And Security Council Resolution 502 would still stand as the statutory condemnation of Argentina's action and the mandatory definition of what she must do. It is too well known that other territories would never sleep soundly again. The World Community will not condone Argentina. As the Commonwealth Secretary General said ^{on 27 April} yesterday: "In

making a firm and unambiguous response to Argentine aggression, Britain is rendering a service to the international community as a whole."

The international community also realises that Argentina was the aggressor. If Mr Haig's efforts fail then it will also be clear that Argentina has compounded aggression by a refusal to accept a peaceful settlement. Right will be doubly on our side. Fortified by that right, our determination to liberate British territory and British people will be all the greater.

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