LOBBY BRIEFING

time: 8.00pm date: 6.5.82

FALKLANDS - DIPLOMATIC INITIATIVES

We briefed the lobby on the latest position drawing from Nick Fenn's note to press officers of 6 May. We read to the lobby Mr Pym's 'on the record' statement.

Asked if we had accepted the Peru/US proposals we said that the implication was clearly there that they were acceptable to the UK.

We continued to be in touch with the UN Secretary General and were in the process of responding constructively to his ideas which he had put to Mr Pym last weekend. These were procedural in character, hence possibly their attraction to the Argentines. Flesh had to be put on them. There could be no question of any ceasefire without Argentine withdrawal. Mr Pym would be making a Statement at 11.00am Friday and might go further into the detail of the Peru/US initiative and the UNSG's plan.

We reminded the lobby that the PM had stated that negotiations must involve compromise and her reference to Haig's proposals when she said there were hallmarks of compromise.

We could not read the future but given the failure of the Peru/US initiative Haig was not presently in the game. However he probably had much greater knowledge of the respective positions and of the problem. We were not saying that we hoped he would continue to play a role.

Asked to characterise how we regarded the failure of the Peru/US initiative we said that it must be regarded as a serious blow.

Asked about the military lull we said that there had been no action only because the Argentines had not gone into the TEZ, threatened the Task Force or attempted to resume the airbridge.

We knew nothing about any further casualties and advised the lobby to forget the numerous rumours concerning Hermes and helicopters. We expected MoD to make a Statement very soon concerning the two Harriers. We were not guiding away from the PA story.