

LOBBY BRIEFING

time: 4 PM date: 19.5.82

This morning's Lobby was repeated.

We briefed in accordance with Press Office Bulletin 138 on Mr Mugabe's talks with the Prime Minister.

FALKLAND ISLANDS

We reported that we had not yet received the Argentines' final response. The preliminary response, conveyed to us from our UN Ambassador via the UN Secretary General following his talks with Mr Ros, had been received and was not regarded as satisfactory from a British point of view. The initial response had been received in London overnight and the Prime Minister had had her first look at it this morning. When the Prime Minister met the usual group of Ministers, they knew what Sir Anthony Parsons had been told and what he thought of the Argentine initial response and they could therefore take a view and transmit it back to our Ambassador.

Although this initial response did not look promising, we urged the Lobby not to write off the diplomatic moves. It was just possible that the final response could be different in substance rather than just amplification. However we would not go along with Argentine attempts to "string out" the process.

On the Prime Minister's Jimmy Young interview and the question of sovereignty for the Falklanders and the implied suggestion of Independence, we said the Prime Minister was rehearsing an option, and although not canvassed very seriously, this was not the first mention of it. Asked why the Prime Minister appeared to be encouraging the nation to think of some of the ideas for Falkland administration while at the same time holding out no hope of successful diplomacy, we said we thought the Lobby was reading too much significance into some of the comments. Similarly, on the question of self-determination, we did not see anything new or firmer in the Prime Minister's remarks. There was a genuine belief that the people had a right of self-determination. Nobody could ride roughshod over their wishes. It was not likely that they would want to become part of Argentina and there was no desire to hand them over to a dictatorship. We acknowledged that there would be an entirely different political situation if the Argentines were "knocked off" the Islands.

We acknowledged it was likely that the Prime Minister would open the debate the following day with Mr Pym winding up. We also acknowledged the possibility of a White Paper being produced in draft form setting out the British final position and the Argentine final position if the latter had been received in time. Obviously any speech by the Prime Minister in the debate would be based on that document if we were in a position to produce it.

Asked about Argentine immigration on the Falkland Islands, we said we had the impression the Argentines had not shown any great desire to live there though we thought there were no rules against immigration in the past. There was a 3 years residence rule before anyone could acquire a vote.

EC

Following the previous day's EC decision on farm prices, we confirmed that a report would go to Cabinet the following day for collective consideration. It was clearly a grave and serious matter as the Prime Minister

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has said but it was desirable not to rush into a response. We indicated that there might be a further Ministerial meeting on the subject, possibly on Friday.

We thought two options could be ruled out - leaving the Community and the "empty chair" policy. We said: "you cannot take your bat home; you have to stay to argue your case". We thought our EC partners would live to rue the day. They had acted against their own best interests. The French had been inconsistent and had not covered themselves in glory. We also mentioned that no Head of Government had indicated that they would take this route though we were not suggesting that Agriculture Ministers had acted in isolation.

Clearly this development had exacerbated the Mandate problem, would increase UK payments considerably and would dismay the pro-Europeans at home. It would also make the Versailles Summit more difficult.

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