NOTE TO PRESS OFFICERS

FALKLAND ISLANDS: 1ST JUNE

United Nations

- Sir A Parsons called on the Secretary-General on 31 May and will probably see him again today. Mr Perez de Cuellar remains very much in business and we are cooperating actively with him.
- For us the essential point remains that a ceasefire must be inseparably linked to the 'immediate withdrawal of all Argentine forces from the Falkland Islands' in accordance with SCR 502.

Divisions in the Government?

3. We have no comment on speculative pieces of this kind. We defy you to substantiate such suggestions from the public record (draw as necessary on NPO of 28 May).

Substance

- 4. There is nothing new to say today. After seven weeks of patient negotiation the Argentines rejected the generous proposals which we published on Thursday, 20 May. These proposals have therefore been withdrawn. We are in the process of re-possessing the Islands in exercise of our right to self-defence under Article 51. Prime Minister, House of Commons, 27 May: 'First re-possession, second restoration of British Administration third re-construction followed by consultation with the Islanders'
- 5. Ministers have of course given careful thought to the longer term. They have made it very clear that decisions about th must await the period of re-construction and consultation with the Islanders once democratic institutions have been restored.
- 6. <u>Unattributably</u> we can draw on the factors for the future set out by the Secretary of State for 'TV Eye': economic development; communications; security; the advantages of stability

and peace in the area. We remain actively interested in an early end to hostilitie 7. in order to save lives. But there can be no progress without Argentine withdrawal and that requires a fundamental decision in Buenos Aires of which there is, as yet, no sign. The Americans We have made a point of keeping in close touch with the 8 Americans since Mr Haig's active participation in the negotiations. We remain in daily contact with him. We are as intimately aware of his views as he is of ours. [If necessary]: We are not being pressed to suspend military activities. OAS Resolution We reject categorically the astonishing notion of an 'unjustified and disproportionate armed attack perpetrated by the United Kingdom', in view of the unjustified and disproportionate unprovoked aggression perpetrated by Argentina on 2 April, and determined by the Security Council to constitute a breach of the peace. We know that the Resolution requires States party to the Treaty to give the Argentine Republic 'the support that each judges appropriate'. Unattributable. One State party to the Treaty has told us of their view that the Resolution is 'harmless and thus useless'. Arms Supplies See paragraphs 8 and 9 of NPO of 28 May. 12. NF 1 June 1982