

Dear John

and myself on ours.

Foreign and Commonwealth Office

London SW1A 2AH

13 April 1982

This adds a little to the oal

Falkland Islands amount Dr. lyn gave veloting.

As you know, Mr Haig was again in touch with the Argentine Foreign Minister earlier today and the Argentines indicated that they would have a new proposal to make: basically, they could accept the formulation in paragraph 5 of the paper which emerged from the discussions between the Americans and ourselves yesterday, in return for language drawing on United Nations texts on the decolonisation of the Falkland Islands. Mr Pym called on Mr Haig at his suggestion this afternoon to discuss the latest developments. Mr Pym and Mr Haig had a few minutes tete-a-tete. In subsequent discussion General Walters, Mr Enders, Mr Gompert, Mr Funseth and Mr Gudgeon were present on the

The Americans had produced the attached paragraph as an illustration of the ideas they understood the Argentinians to have in mind in a form which would replace paragraph 8 of the present text of the draft agreed memorandum.

American side; and Sir A Acland, Sir I Sinclair, Mr Ure

The Argentinians are however producing their own written version of their ideas, which the US Ambassador in Buenos Aires expects to receive at 8 o'clock this evening local time. The result is clearly unlikely to be any more palatable to us than the American cockshy.

Mr Haig, while not seeking to sell the precise wording of the American draft, clearly regarded it as a step forward on the Argentine part and seemed to think that it offered the possibility of a solution. He emphasised, as did Enders, that Resolution 1514 contained helpful references to self-determination; and that paragraph 5 /which the Argentinians would be prepared to accept in toto in return for the language on decolonisation, should be regarded as the crucial element from our point of view. He accepted that decolonisation might be regarded as a politically charged word in the United Kingdom, but it was certainly very much better from our point of view than the transfer of sovereignty which was the original Argentine demand.

These themes were replayed by Haig and Enders in the discussion that followed, and the American Legal Adviser argued from UN precedent (including UN Resolution 1541 and the solution reached in respect of the Cook Islands), that

/'decolonisation'

/of the draft,



'decolonisation' was a supple concept. He accepted however that the formulation limited the Islanders' right of self-determination to the extent that it excluded the option of sticking to the status quo. It could be inferred from other points made by Mr Haig that the Argentinians had made some headway with their argument that the selfdetermination for the Islanders on which we insisted was a somewhat artificial concept, because of restrictions on such matters as immigration and Argentine investment. did however acknowledge the force in our argument that the Islanders were not deprived of contact with the Argentine and that their views were determined more by a dislike of what they saw there than by any lack of knowledge. concluded however that we must look for an arrangement in which the Argentines could retain the hope that the situation over the next nine months would develop in such a way as to give them the answer they wanted. In response to a question however he said that the American position at the end of the day would be to 'stick to the right of the individual'.

Mr Pym, in stating our position, made it clear that we had always accepted the possibility of change. But any change should be subject to the wishes of the Islanders. We would not stand in the way of whatever outcome they might choose, but the trouble was that the direction in which the Islanders had determined their future had never been acceptable to Argentina. We were open-minded about their choice but we would not let the Islanders down; neither would Parliament endorse a solution which could be represented as our having deserted them.

Despite some fairly persistent questioning neither Haig nor Enders seemed able to say whether the new Argentine ideas were designed to seek a commitment to a transfer of sovereignty in different language, or whether they represented a lowering of sights and a willingness to continue a negotiating process 'under different rules'.

The Argentine language, when we get it, may provide the answer. Judging from hints given by Haig and Enders, it may also include references to 'minority status' for the Islanders, by implication giving them some sort of local autonomy within a greater Argentine whole. The American side recognised that this would not be acceptable to us and made no attempt to have the matter discussed further.

Mr Pym in conclusion said that we would be prepared to look at wording if it led to a situation where both sides were able to continue working for a satisfactory solution. He

/asked



asked that everything be done to guard against leaks, and Haig took the point - while indicating that he had no very great hopes of preventing them happening in Buenos Aires. He made it clear that he expected to go back there, though not before Saturday; and he emphasised the importance of bringing the negotiations to a successful conclusion: a number of our 'European friends' had impressed this on him and 'there won't be as much robustness on either side of the Atlantic when we get down to ground zero'.

Two other points made by the Americans are worth recording:

- i. Haig referred once or twice to a referendum as being a possible part of a solution. The implication was clearly that he thought that this might be acceptable to the Argentines, provided that a. it was part of a package containing the references to decolonisation and b. something was done to meet the Argentine concern about what they saw as artificial restrictions (Haig volunteered that he did not see this as requiring a swamping of the Island population by Argentinians).
- ii. Enders indicated that, in order to compensate for what he referred to as the tilt towards the Argentine position represented by a reference to decolonisation, it might be possible to weaken the language providing a fixed end to the interim period.

Finally, we shall be following up here a point made by Costa Mendes to Haig - which seems to have impressed him - to the effect that the United Kingdom had previously accepted the Falkland Islands in a list of territories to be decolonised. This may mean no more than is implied by the history of UN discussion of the subject.

I am sending copies of this letter and enclosure to John Halliday (Home Office), David Omand (Ministry of Defence), Keith Long (Office of the Chancellor of the Duchy of Lancaster) and David Wright (Cabinet Office).

Jours ever

(B J P Fall) Private Secretary

A J Coles Esq 10 Downing Street December 31, 1982, will conclude the interim period and, during this period, the signatories shall negotiate the conditions of the decolonization and definitive status of the islands, consistent with the purposes and principles of the UN Charter, United Nations General Assembly Resolution 1514 (XX), and the 1964 Report of the Special Committee of the General Assembly on the situation with regard to the implementation of the declaration on the granting of independence to colonial countries and peoples.