



10 DOWNING STREET

From the Private Secretary

4 June 1982

FALKLAND ISLANDS

The Prime Minister held a [^]tete-a-[^]tete conversation with President Reagan in the US Embassy in Paris between 1510 and 1620 hours on Friday 4 June 1982. The Americans made it plain that they did not wish anyone else to be present at this meeting.

As you know, the Prime Minister briefed the Foreign and Commonwealth Secretary and other members of the United Kingdom delegation on her conversation with President Reagan a few hours later.

The Prime Minister said that she had opened the discussion by thanking President Reagan warmly for the material help which the United States had extended to us. She regretted, but understood, that she could not make public the very valuable assistance which the Americans had given. She had then described the various stages of negotiation during the period when we were attempting to reach a diplomatic settlement. Finally, when all previous efforts had come to nought, we had published our own terms for a settlement. But from the moment when we had been obliged to launch military action to re-capture the Islands, everything had changed. We had had to withdraw all the earlier proposals. Now, the only procedure which would be of interest to us would be a cease-fire, irrevocably linked to Argentine withdrawal within 14 days. She had explained to President Reagan why we could not withdraw our own forces nor make concessions to the Argentine desire for sovereignty. She had further explained why we should have to veto the Resolution at present before the United Nations Security Council. She expressed the hope that the United States and France would also veto this Resolution. We could not accept a cease-fire at a time when our forces were poised to take action and were fighting in adverse climatic conditions. If Galtieri wanted to withdraw and communicate this wish to her, both sides could instruct their commanders on the spot to make arrangements. President Reagan, perhaps not entirely understanding the Prime Minister's point, had enquired whether she had made a proposal on these lines. The Prime Minister said that she had not done so. She was merely describing the only procedure which we could accept.

/The conversation

The conversation had then turned to relations with Latin America in general. The Prime Minister had made it plain that she was not interested in humiliating Argentina nor was she at war with the mainland. No-one was more anxious than she for an armistice.

President Reagan had expressed a keen wish to minimise the loss of life. He wondered whether persistent bombardment, rather than a frontal assault, might not help to achieve this. The Prime Minister said that, given the situation of the Argentine forces, this tactic might cause even more deaths. But she had assured the President that we too wished to minimise loss of life. She had told the President of the discovery of napalm bombs at Goose Green (he appeared to be unaware of this) and had also described the treatment which the Islanders had received from the Argentine troops and the recent white flag incident.

The Prime Minister said that the President had expressed considerable interest in how we propose to obtain a cessation of hostilities applying to the mainland as well as the Islands. This had led to a discussion about the possibility of not returning Argentine prisoners until a full cessation of hostilities had been agreed. President Reagan had seemed very interested in this approach. The Prime Minister said we would be very grateful for help from the United States after the Argentine forces had surrendered. But the prisoners could not be returned until an armistice covering the mainland had been secured. President Reagan did not agree with those who argued that Galtieri would not care about the fate of these prisoners. No country could be indifferent to the fate of so many of its citizens.

President Reagan had expressed considerable concern about the future course of events, after the re-taking of Port Stanley. He was worried as to how the situation could be controlled if Argentina continued the war from the mainland. His main interest seemed to lie in the political future of the Islands and in particular in some form of de-colonisation. He had asked whether we could not bring the Islands to self-government. The Prime Minister had replied that this would take time. The effect of recent events on the Islanders was unpredictable. However, self-government should probably be the first objective. President Reagan had pointed out that self-government must involve some protecting power. The Prime Minister said that she appreciated that; it was a matter which we would consider later. (Commenting on this part of the conversation, the Prime Minister said that problems could be caused by the fact that the Americans appeared to wish to move faster than we would want towards self-government. Reagan seemed to be contemplating self-government under some kind of protectorate but he had not gone into detail about security arrangements which remained a gray area.)

/President Reagan

President Reagan had understood that it was not possible for us to take any diplomatic initiative at the moment. He was worried about the situation in Argentina. He was not sure that Galtieri would fall but if he did so it seemed likely that the Air Force commander would take over. The Prime Minister said that we had no intention of gloating when re-possession was complete; we had no desire to humiliate Argentina. President Reagan volunteered the view that Galtieri had authorised the invasion because he would otherwise have fallen from power within days - large-scale strikes, sympathetic to the Peronistas, had been envisaged.

Commenting on the above account, Mr. Pym said that it was close to the conversation he had had with Mr. Haig at about the same time. Haig was very much in favour of self-government for the Falkland Islands but very much opposed to independence.

I am copying this letter to the Private Secretaries to the members of OD(SA) and to David Wright (Cabinet Office).

John Coles

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Foreign and Commonwealth Office.