



Aw 540/325/1

RECEIVED
18 FEB 1982

DESK OFFICER		REGISTRY
INDEX	PA	Action Taken

PM/82/11

PRIME MINISTER

SAWD
 x PS
 PS/MS
 PS/MR LUCE
 PS/PCS
 Mr Day
 Mr Ure
 Defence Des
 Sub Marshall
 125

Mr Luce REC 16/2
 Mr B...
 Mr Smith
 CCB
 10/2
 CCB
 5/3
 R/ B...
 16/2

(5)

12 (304) 117 Falkland Islands

1. In my minute PM/81/58 of 2 December 1981 I outlined the position our delegation would take at the talks which were due to take place with the Argentines at Ministerial level in Geneva. Those talks were postponed at the Argentines' request, following the change of Argentine Government in December. They will now be held in New York on 26 and 27 February.

2. The general line Richard Luce will follow remains as in my earlier minute. But there is one new element. The Argentine Government have given us, as a prior notification of their position and objectives at New York, a substantial and toughly-worded document which asserts that the sole purpose of the negotiations is to cede sovereignty to Argentina, denies the relevance of the Islanders' wishes (as opposed to interests) and, without explicit threats, refers to the Islanders' dependence on services provided by the Argentines. The paper ends with a proposal that there should be agreement at New York to establishing a 'permanent negotiating commission' which would meet monthly in capitals and which should conclude its work within a year.

3. In response, our Ambassador in Buenos Aires has been instructed to make clear to the Argentines that we remain in no doubt of our sovereignty over the Falkland Islands and their Dependencies; and that, while we wish to reach a peaceful solution acceptable to all the parties concerned including the Islanders, we can only continue negotiations on the clear understanding that they are conducted without prejudice to our position on sovereignty. Richard Luce will seek confirmation of this in New York.


4. In principle, the idea of setting up working groups to



look at particular aspects of the dispute has considerable appeal for us since, as I said in my minute of 2 December, it is in our interest to keep a dialogue going in order to avoid the difficult and costly consequences of a breakdown. But we shall need to resist the sort of unrealistic timetable of work proposed by the Argentines. It will also be difficult to carry the Islanders with us, since they will be most reluctant to agree to any discussion of sovereignty with the Argentines: and the Argentines will accept nothing less.

5. We are therefore prepared for a difficult session in New York. We shall make it clear from the outset that any agreement reached on the future of our negotiations will be strictly ad referendum. At the same time, we have to recognise that the tougher attitude being shown by the new Argentine Government, together with the strong disinclination of the Islanders to envisage any change from the status quo, narrows the options for us. I expect that we shall need a further discussion on the Falklands in OD in March.

6. I am copying this minute to other members of OD, the Secretary of State for Energy, to the Attorney-General and to Sir Robert Armstrong.


(CARRINGTON)

Foreign and Commonwealth Office

15 February 1982