

Ref: B06510



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PRIME MINISTERFalklands: OD(SA) on 2nd JuneMilitary Issues

Your meeting at 9.30 am tomorrow should begin with the usual military briefing from the Chief of the Defence Staff.

2. The Chief of the Defence Staff and the Defence Secretary should then speak to a note by Ministry of Defence officials (OD(SA)(82) 59) on how to seek a local Argentine surrender. The basic proposal seems sound. But it leaves open the further question of how to deal with prisoners resulting from a mass surrender (on which the Ministry of Defence are preparing a separate paper); and in particular the scope for using them as a lever to obtain a mainland ceasefire. Hence the square brackets round one sentence in the annexed draft message, which the Sub-Committee will need to discuss. The sentence should clearly be omitted if we are likely to delay repatriation, perhaps for quite a long time, while we try the force of such leverage.

3. Behind this issue, of course, lies the further problem of what to do if the leverage fails. Pressure on Argentina via the Americans may be part of the answer. But in the end we may have to choose between some form of political negotiation with Argentina (which the Americans are likely to urge on us anyway) and continuing indefinitely without a mainland ceasefire. In the latter case the Exocet threat would also continue.

4. Next, the Attorney General should be asked to report on his efforts to find a way round the 12 mile sanctuary problem. The Defence Secretary and Foreign and Commonwealth Secretary should comment.

5. The Defence Secretary will not be ready for further discussion of repatriating the dead or of gratuities.

Political Issues

6. The Foreign and Commonwealth Secretary or Sir Antony Acland should be asked to report on overnight developments in New York. Does Sir Anthony Parsons need new instructions?
7. The Foreign and Commonwealth Secretary should then report whether Mr Haig is coming to London tomorrow. If not, ought Mr Pym to go to Paris? or can things wait until you see President Reagan on 4th June?
8. Sir Michael Palliser should report on his talk with Lord Shackleton. Are the arrangements for the latter's revision exercise now in place? When can he start and how long will he take? Should the Foreign and Commonwealth Secretary see that he is provided with the scenarios promised at your meeting with him and Lord Buxton?
- [REDACTED]

Next Meetings

9. These have been arranged at
- 9.45 on 3rd June, after which the Defence Secretary and Foreign and Commonwealth Secretary should report to the Cabinet (which meets at 11.00);
 - 10.00 on 4th June, ie just before you leave for France.

Rawh.

1st June 1982

R L WADE-GERY