

LOBBY BRIEFING

time: 4.00 date: 5.5.82

Miss Wallace was introduced. Morning lobby was repeated.

DIPLOMATIC MOVES

We said that Cabinet and the Meeting of Ministers before hand would have spent more time considering diplomatic moves rather than military matters, although both meetings would have been brought up-to-date on the military position.

Cabinet discussed the Peruvian/US ideas and as a consequence we would be in touch with Washington as indicated by Mr Pym in his Statement.

Peru had put forward some ideas but these had been rejected by Argentina. Nevertheless Haig had picked them up; he remained very much in the game and we believed he was best placed as a friend, ally and expert to resolve the crisis to bring about a settlement. The earlier US proposals together with the Peruvian proposals had undergone a process of refinement and argument. The process was a source of encouragement but it was too early to be optimistic. The Argentines had shown no sign of being prepared to withdraw as required by UNR 502.

The other leg of the current diplomatic effort was the UN. But it was important that ideas put forward from the UN should not cut across the Peruvian initiative although there could be elements common to both. We had not replied to the UN Secretary General and might not do so until tomorrow.

We had sent a constructive reply to Haig yesterday since then our Ambassador in Washington had seen Haig last night. There had also been some refinement and discussion of the proposals. We would not be drawn on substance; the proposals remained constructive and we were looking after our interests.

We believed that Argentine minds were becoming more concentrated on finding a solution; they had sent two military men to Lima. We were not proposing to send anyone to Lima as we were dealing with Haig. We were not aware of any Argentine communication to Haig in respect of the Peruvian initiative.

MILITARY

We had no evidence of any great battle. We were not escalating the conflict. Any escalation was caused by those who challenged TEZ or the Defensive Area. The Government had not raised the point about bombing the Argentine mainland. We were not encouraging such speculation and were not prepared to be drawn on options.

CEASEFIRE

We agreed that Mr Pym's Statement was possibly the first time the term ceasefire had been used. We had never any objection to a ceasefire as long as our principals were met. There could be no question of a ceasefire until we were convinced the Argentines intended removing their forces. We were not prepared to negotiate on the long term position of the Islands until the Argentines had removed themselves. Nevertheless quite obviously we had been talking procedurally as part of the diplomatic process about a whole range of points. But these were all based on getting the Argentines off the Islands. Furthermore their withdrawal had to be controlled and supervised; these details had to be worked out. Naturally it would take time for this to happen.

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