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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence

FALKLAND ISLANDS
SITUATION REPORT #4

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Falkland Islands Situation Report, No. 4
Information as of 1300, 4 April 1982

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2. Argentine military forces on the main islands continue to dig in.

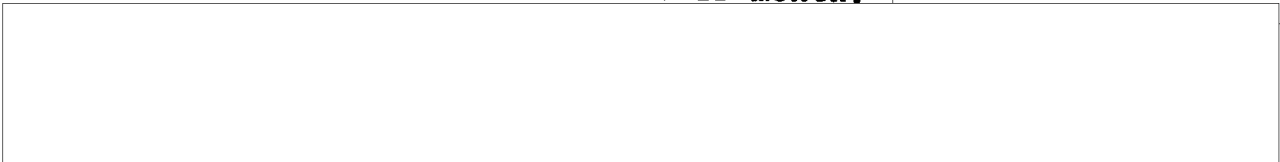
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Comment:

The Argentines continue to prepare for the arrival of British forces in the area later this month.

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Argentine Politics

3. President Galtieri, in a speech last night, stated that if Argentina were attacked, "the nation in arms will fight with all available means." The government also announced that payments to the UK would be suspended, and press sources in Buenos Aires claim that the British also have lost any claims to Antarctica.

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Comment:

Neither Galtieri's statement nor the suspension of Argentine payments are unexpected under the circumstances. According to the Argentines, the British claims in Antarctica derive from their possession of the Falklands; now that the Falklands are Argentine, the British claims are forfeit. [REDACTED]

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British Domestic Reactions

4. Parliament will debate the Falklands crisis again on Tuesday and Wednesday, and the Commons Select Committee on Defense is launching an investigation of British actions leading up to the Argentine invasion. [REDACTED]

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Comment:

Thatcher can expect another stormy debate and renewed demands for the resignations of Foreign Secretary Lord Carrington and Defense Secretary Nott. Cabinet resignations appear unlikely at this point, since they would be an admission of government culpability on the explosive issue of preparedness for the crisis. Should evidence of negligence become clear over the next days, however, resignations are probable. Nott is the more likely victim, since many Tory back-benchers have bitterly criticized his proposals for reductions in the Royal Navy's surface strength. Resignations of Nott or Carrington would also demonstrate fears for the Prime Minister's position, since the loss of ministers of their seniority would only be contemplated if Thatcher were convinced that such a sacrifice was necessary to ensure the government's survival. [REDACTED]

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5. Defense Secretary Nott repeated in a television interview Sunday that while London is continuing to seek a diplomatic solution, Britain was prepared to fight to restore the Falklands to British sovereignty. The British governor and some Marines reportedly were flown back to London Sunday. [REDACTED]

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Comment:

Nott is the Cabinet minister most in the line of fire for Britain's alleged lack of military preparedness for the crisis, and his comments are clearly intended to show the government's determination to Conservative MP's. Pressure for military action will escalate dramatically if reports of British military and civilian casualties as a result of resistance to the Argentine invasion are confirmed. [REDACTED]

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Diplomatic Activity

25X1 6. The UN Security Council approved by a 10 to 1 vote a British sponsored resolution calling for immediate withdrawal of Argentine forces from the Falklands. A number of Third World countries supported the resolution because of Buenos Aires' use of force, but expressed sympathy for Argentina's claims to the Falklands. [REDACTED]

Comment:

25X1 The British will be pleased that the resolution was approved by such a wide margin, but London remains dubious that the UN can resolve the controversy or that any sanctions against Argentina will be approved. The British probably view the UN vote as useful evidence of their continuing search for a peaceful solution and as a measure that can be used to justify military action should Argentina continue to reject the Security Council resolution. Any prolonged UN deliberations while the occupation of the Falklands continues would in any case not be politically acceptable in London. [REDACTED]

UK Military Action

25X1 7. The British continue to prepare an invasion force in Britain for military action in the Falklands. The fleet, consisting of some 30 to 40 ships, is scheduled to leave on Monday. The British claimed that a smaller force was ordered to sea last week when the crisis deepened and that it was already in the South Atlantic, but refused to disclose its position or plans for its use. [REDACTED]

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