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PREM 19/628

ARGENTINA Kelation's with Argentina Position of the Falkland Islands PART 1: - Sept 1979 PART 17. PART 17: - MAY 1979 Referred to Date Referred to Date Referred to Date Referred to Date 15.5.82 17.5.82 - Pt Ends -

PART 17 ends:-

Michael Foot to PM 17.5.82

PART 18 begins:-

Pm to michael Foot 18.5.82

J.V. A.W.

Papers removed from file

Date 9.5.82

Lord Hugh Thomas to Pun 7.5.82

HOUSE OF COMMONS LONDON SWIA OAA 17th May 1982 Kan Krim Minister You will recall that on a number of occasions last week I asked for an assurance that you would present to the House of Commons the terms for a settlement of the Falklands dispute which may emerge from the United Nations discussions in New York before the Government make any decision to embark upon a major military escalation. You have replied by referring to any government's normal right to take decisions and face the consequences in the House. I fully understand that constitutional claim. But there are some special features of the present situation which I must bring to your attention urgently, and which require, in my judgement, that you should respond to my request. The fullest statement of the terms on which the British Government has been prepared to accept a cease-fire and progress towards a settlement was given by the Foreign Secretary in the House on 7th May. These were the so-called Peruvian terms which, had they been accepted by the Argentine Government, could, according to the Foreign Secretary, have produced a cease-fire at 5 o'clock that day. During the debate last Thursday, the Foreign Secretary discussed the fresh approach being attempted at the United Nations. He was not able to define these terms in detail then, and nor has he been able to do so since; but the inference to be drawn from what he said was that the Argentine

Government may have been prepared to move on what the Foreign Secretary described as our two fundamental requirements; the withdrawal of the whole Argentine invasion force from the islands and the understanding that the outcome of long-term negotiations could not be prejudged in advance.

. I make no complaint on the score that the Foreign Secretary could not supply more details last week; indeed some privacy and discretion in the diplomatic exchanges are to be welcomed if they can contribute to the desired peaceful outcome. But since the House of Commons had so little exact evidence at its disposal when last the matter was debated, it would be intolerable if the move were made from the diplomatic field to full-scale military operations without the House having the chance to judge for itself what was the nature of the diplomatic settlement available. Indeed, such a development would be even more intolerable if the eventual proposed peace terms were to be presented to both parties as a reasonable fulfilment of Resolution 502 by the United Nations Secretary General. We in the Labour Party have insisted from the start on United Nations involvement. We will not in any circumstances depart from that insistence. It is indispensable in Britain's own interest.

So I must make my request once again. Throughout the whole of this crisis the Labour Party has given the fullest support to the demand that Resolution 502 of the Security Council should be fulfilled. But the judgement about the way in which such a national commitment should be carried forward cannot be left to the Cabinet, less still to some inner Cabinet, and less still again to some raucous group of Conservative backbenchers. It should be made, and must be made, by the House of Commons as a whole.

The time for such deliberations could surely be made available. Such an arrangement might involve an undertaking on your part that there would be no escalation of the conflict for, say, a further 36 or 48 hours after the negotations had come to an end. This need not be a disadvantage for the taskforce. Indeed, the Secretary of State for Defence has already made it clear that those aboard the taskforce ships are better able to stand the delay than are the Argentinians on the Falkland Islands.

Your constitutional claim that the Cabinet should take the decision in the manner you have previously described is not so plausible as you claim. On previous occasions in recent times when Britain has taken decision to embark on full-scale military operations - say, in 1939 or in 1951, in the Korean dispute - the cause of the rupture in diplomatic exchanges was clear beyond doubt or dispute. Members of the House of Commons had no wish to demand further information. This is not the case now. When the appropriate time comes, before any major military escalation, we in the Labour Party wish to debate the terms available, and I ask now for an absolute assurance that this opportunity will be afforded.

I must underline to you how strongly I hold this view. This is why I write in this formal manner. The lives of many people may be at stake, British lives, Argentine lives, the lives of the Falklanders themselves. The British House of Commons has the right and the duty to judge such matters on behalf of the nation.

1 am issurthe buchte procession.

Milyatool

Rt. Hon. Margaret Thatcher. MP House of Commons.



# Foreign and Commonwealth Office London SW1A 2AH

17 May 1982

Grie Pinete Content to delay any broadcast by you will the is a suitable major development?

A. J. C. 17.

Dear John,

#### Call on the Prime Minister by the Governor of the Falkland Islands

In my letter of 13 May I said I would be replying separately on the question of a broadcast to the Falkland Islanders by the Prime Minister, mentioned in (d) of your letter of 10 May. Mr Pym believes that at an appropriate moment such a broadcast would prove very valuable but, as you say in your letter, its timing would need careful consideration.

Since 26 April, the BBC World Service's special 40-minute "Calling the Falklands" programme has been transmitted every night at 2220 hours GMT. The programme consists mainly of news bulletins and messages from relatives, sometimes accompanying musical requests. The Governor has spoken several times on this programme, as have the Chief Secretary, Mr Cheek and Mr Luxton. So, incidentally, has the Archbishop of Canterbury. When there has been some significant development a Foreign and Commonwealth Office Minister has also spoken on the programme - usually the Minister of State, Mr Onslow, but on two occasions the Foreign and Commonwealth Secretary has done so.

A message from the Prime Minister would be very much appreciated and act as a great fillip to the Falklanders' morale. The right moment for it would be when there is a really major development. This might occur at very short notice, in which case we could quickly prepare a draft message and arrange for the BBC recording staff to go to wherever it would be convenient for the Prime Minister.

If you agree, we will therefore keep the possibility of a broadcast by the Prime Minister in reserve for the moment but revert as soon as we judge that a suitable opportunity is likely to occur.

A J Coles Esq 10 Downing Street (J E Holmes)
Private Secretary

CONFIDENTIAL Private Secretary

17 MAY 1982

17 May 1982

#### Interim Agreement: Falkland Islands

Thank you for your letter of 16 May. As I told you earlier today, the Prime Minister agreed to the draft instructions for Sir Anthony Parsons reflecting the decisions taken at Chequers on 16 May.

JC

Sir Antony Acland, KCVO, CMG. Foreign and Commonwealth Office

te

### CONFIDENTIAL

GRS 100 CONFIDENTIAL FROM UKMIS GENEVA 171700Z MAY 82 TO IMMEDIATE FCO TELNO 252 OF 17 MAY INFO IMMEDIATE MODUK, PARIS, STOCKHOLM, ASCENSION, BRASILIA

MY TELNO 249 : ASTIZ

- 1. PASQUIER TELEPHONED LATE ON 17 MAY TO SAY THAT, AS FORESHADOWED IN PARA. 5 OF TUR, ICRC WOULD LIKE TO SEND A DELEGATE SOON TO ASCENSION TO VISIT ASTIZ.
- 2. DELEGATE CONCERNED WOULD BE TSCHIFFELI, WHO HANDLED THE REPATRIATION FROM ASCENSION LAST WEEK. HE COULD REACH LONDON ANY TIME AFTER WEDNESDAY EVENING FOR ONWARD TRAVEL.
- 3. ICRC REQUEST THAT YOU ARRANGE TRAVEL TO ASCENSION AND ON TO PLACE OF DETENTION AS SOON AS POSSIBLE. GRATEFUL FOR EARLY RESPONSE.

MARSHALL

[COPIES SENT TO NO 10 DOWNING ST]

FALKLANDS SELECTIVE LIMITED HD/S AM D HD/DEF D HD/PLANNING STAFF HD/UND HD/NEWS D HD/PUSD HD ECD (E) DEP HD/PUSD PS PS/MR HURD PS/MR ONSLOW PS/PUS MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT

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CONFIDENTIAL

## ADVANCE COPIES: FALKLAND ISLANDS GENERAL (37)

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PS/NO 10 DOWNING ST (2) PS/S OF S FOR DEFENCE MR J STEWART AUSD STAFF MOD PS/CHANCELLOR ) MR ILETT TREASURY MR LITTLER SIR R ARMSTRONG SIR M PALLISER . CABINET MR WADE-GERY OFFICE MR FULLER SAPU/DIO DIO RM 8 FOR MODUK C IN C FLEET

[Passed to E.R.]
[Typists a.a.]

GRS 280

CONFIDENTIAL

FROM UKMIS GENEVA 171452Z MAY 82

TO IMMEDIATE FCO

TELNO 251 OF 17 MAY

INFO IMMEDIATE BRASILIA, MONTEVIDEO, BERNE



YOUR TELNO 168: FALKLANDS: REPATRIATION OF POWS

- 1. HEAD OF CHANCERY TOOK ACTION WITH HOCKE, DIRECTOR GENERAL OF OPERATIONS AND PASQUIER, DELEGATE-GENERAL FOR LATIN AMERICA AT ICRC.
- 2. ON THE COSTS OF THE SOUTH GEORGIA REPATRIATION, HOCKE AND PASQUIER SAID THAT THE NORMAL PRACTICE WAS FOR THE DETAINING POWER TO PAY ALL COSTS UNTIL THE FRONTIER OF THE PRISONERS' HOME COUNTRY. THEY RECOGNISED THE JUSTICE OF YOUR SUGGESTION THAT THE ARGENTINIANS SHOULD PAY A SHARE, BUT WERE EMPHATIC THAT IT HAD BEEN CLEARLY UNDERSTOOD DURING ALL THE DISCUSSIONS ON THE SOUTH GEORGIA REPATRIATION VIA ASCENSION ISLAND THAT THE BRITISH GOVERNMENT WOULD PAY THE COSTS OF THE AIRCRAFT. WE HAD AFTER ALL

PRESCRIBED THE MEANS OF TRAVEL AND ROUTE TO BE USED. IT WAS CLEAR THAT THE ICRC WOULD NOT (NOT) BE WILLING TO FORWARD THE MARTINAIR BILL TO THE ARGENTINIANS, AND THAT THEY INTEND INSTEAD TO SEND IT TO US.

3. AS FOR FUTURE REPATRIATIONS AND THE CREW OF THE NARWAL, ICRC TOOK NOTE AND COMMENTED THAT THEY DID NOT THINK THAT IT WAS NOT THE PROVISIONS OF THE SECOND GENEVA CONVENTION WHICH WOULD CAUSE DIFFICULTIES, BUT RATHER THE PRACTICAL PROBLEMS OF DELIVERY. THEY WERE ATTRACTED TO THE IDEA OF USING HOSPITAL SHIPS BUT EMPHASISED THAT FOR FUTURE TRANSFERS IT WOULD BE OF THE GREATEST IMPORTANCE TO HAVE CLEAR AND ACCURATE LISTS BEFOREHAND OF PRISONERS TO BE RELEASED. THEY THINK THAT WE SHOULD THEREFORE PUT FORWARD OUR CONCRETE PROPOSALS ON MEANS OF REPATRIATING THE NARWAL AND FUTURE PRISONERS, WHICH THEY WOULD BE GLAD TO CLEAR WITH THE ARGENTINE AUTHORITIES. THEY WILL ALSO CONSIDER WHETHER THEY CAN OFFER ANY FURTHER GUIDANCE.

MARSHALL

NNNN

SENT / RECD AT 17/1513Z IM/JM

## FALKLANDS SELECTIVE ADVANCES (38)

PS PS/MR HURD PS/XR ONSLOW PS/PUS MR BULLARD SIR I SINCLAIR WR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT HS/S AM D HD/DEF D HD/PLANNING STAFF HD/UND HD/NEWS D HD/ERD HD/ECD(E) HD/PUSD EMERGENCY ROOM RESIDENT CLERK

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PS/S OF S DEFENCE

PS/HOME SECRETARY

PS/HOME SECRETARY (c/o NO 10 DSt)

PS/ATTORNEY GENERAL

PS/CHANCELLOR DUCHY OF LANCASTER

PS/SIR R ARMSTRONG PS/SIR M PALLISER, CABINET PS/SIR A DUFF MR WADE-GERY OFFICE MR FULLER MR O'NEILL HD ASSESS-MENTS STAFF

DIO

MR J M STEWART AUSD STAFF ADMIRAL SIR ROY HALLIDAY DGI MOD

DIRECTOR G.C.H.Q. (VIa Room &

PP ASCENSION ISLAND

PP BRASILIA

GRS 350 CONFIDENTIAL

FROM UKMIS GENEVA 171345Z MAY 82

TO IMMEDIATE FCO

TELNO 249 OF 17 MAY

INFO IMMEDIATE MODUK, PRIORITY PARIS, STOCKHOLM, ASCENSION ISLAND, BRASILIA

MY TELNO 245 AND YOUR TELNOS 121 AND 122 TO BRASILIA: LIEUTENANT-COMMANDER ASTIZ

- 1. HEAD OF CHANCERY CALLED ON PASQUIER, DELEGATE-GENERAL FOR LATIN AMERICA AT ICRC ON 17 MAY TO CONFIRM MESSAGES LEFT WITH ICRC DUTY OFFICER OVER THE WEEKEND.
- 2. PASQUIER SAID THAT ICRC WERE GRATEFUL TO BE KEPT INFORMED OF OUR THINKING. HE COULD HOWEVER SEE NO(NO) WAY IN WHICH THE ICRC COULD JOIN IN CARRYING OUT AN INTERROGATION AS SUGGESTED IN YOUR DDICONFR IN AM ARMED

Prime Princile

ADVANCE COPY

MY TELNO 245 AND YOUR TELNOS 121 AND 122 TO BRASILIA: LIEUTENANT-COMMANDER ASTIZ

- 1. HEAD OF CHANCERY CALLED ON PASQUIER, DELEGATE-GENERAL FOR LATIN AMERICA AT ICRC ON 17 MAY TO CONFIRM MESSAGES LEFT WITH ICRC DUTY OFFICER OVER THE WEEKEND.
- 2. PASQUIER SAID THAT ICRC WERE GRATEFUL TO BE KEPT INFORMED OF OUR THINKING. HE COULD HOWEVER SEE NO(NO) WAY IN WHICH THE ICRC COULD JOIN IN CARRYING OUT AN INTERROGATION AS SUGGESTED IN YOUR TELNO 121 TO BRASILIA. ASTIZ HAD BEEN TAKEN PRISONER IN AN ARMED CONFLICT, A SITUATION COVERED BY THE GENEVA CONVENTION AND WAS THEREFORE A PROTECTED PERSON. THE ICRC WERE NOT COMPETENT TO TAKE HIS PAST INTO ACCOUNT.
- 3. PASQUIER POINTED OUT THAT OUR ACTION IN DECIDING TO HOLD ASTIZ BACK AND SEND ON THE OTHER POWS WITHOUT HIM HAD CAUSED THE ICRC CONTINUING DIFFICULTY WITH THE ARGENTINES. THEY HAD BEEN ABLE TO PROCEED WITH THE REPATRIATION OF THE OTHERS ONLY AFTER CONFIRMING THAT THE REST WOULD NOT CARRY OUT A PROTEST DEMONSTRATION.
- 4. HEAD OF CHANCERY RAISED THE REFERENCE IN ARTICLE 119 OF THE THIRD GENEVA CONVENTION TO DETAINING PRISONERS OF WAR SUBJECT TO JUDICIAL PROCESS OR PUNISHMENT FOR AN 'INDICTABLE OFFENCE'.

  PASQUIER SAID THIS WAS INTENDED TO APPLY TO PRISONERS WANTED IN THE DETAINING STATE FOR OFFENCES COMMITTED BEFORE HOSTILITIES BROKE OUT, OR TO WAR CRIMES. ICRC WERE STUDYING THE LEGAL BACKGROUND.
- CALLED AT ICRC THIS MORNING, AS FORECAST IN MY TUR, TO PROTEST ABOUT OUR DECISION NOT(NOT) TO RELEASE ASTIZ WITH THE REST, AND POINTED OUT THAT UNLESS WE DID RELEASE HIM FAIRLY PROMPTLY THE ARGENTINIANS MIGHT WELL RECIPROCATE BY HOLDING ON TO ONE OR MORE BRITISH PRISONERS LATER ON A SIMILAR BASIS. THE ICRC HAD IT IN MIND TO ASK US FOR ACCESS TO ASTIZ FAIRLY SOON, TO CONFIRM THAT HIS HEALTH AND CONDITIONS OF DETENTION WERE SATISFACTORY. IT WOULD BE USEFUL TO DO THIS TO SET A PRECEDENT SO THAT THEY COULD DO THE SAME FOR OUR PRISONERS IF THE NEED AROSE. MEANWHILE, HE WOULD BE GLAD TO KNOW ABOUT ASTIZ' HEALTH AND HIS CONDITIONS AND PLACE OF DETENTION. GRATEFUL FOR INSTRUCTIONS.

2 TO S

2.6 AH

#### 10 DOWNING STREET

From the Principal Private Secretary

17 May 1982

RESTRICTED

Der Francis,

#### IRELAND AND SANCTIONS AGAINST ARGENTINA

The Prime Minister spoke on the telephone at 1515 today to Mr Haughey about the Irish position on the renewal of Community sanctions against the Argentine.

She said that the decision which Community Foreign Ministers were due to take later that day was a critical one. If the Community now refused to extend the embargo, the Argentine would interpret that as meaning that it was no longer being criticised internationally, and this in turn would weaken our hand in attempting to reach a negotiated settlement of the Falkland Islands dispute. She and her ministerial colleagues had had a long meeting the previous day with Sir Anthony Parsons and Sir Nicholas Henderson, and Sir Anthony Parsons was returning to New York today to have one last attempt at reaching an agreement. Against the background of what was going on in New York, it was essential that the Community renewed sanctions today. She well understood the difficulties for Ireland, given its traditional position of neutrality and its present membership of the Security Council. Nonetheless, she hoped earnestly that Ireland would agree to the continuation of the embargo.

Mr Haughey said that the British request for the renewal of sanctions caused Ireland fundamental difficulties. Ireland had given her whole-hearted support for Security Council Resolution 502 and in particular for the withdrawal of the Argentines from the Falkland Islands and for the attempt to find a diplomatic solution. Irish support for Resolution 502 had essentially been support for a diplomatic, negotiated settlement. He was afraid that to renew sanctions now would be seen to be giving support for a military solution. He hoped that Foreign Ministers in Luxembourg this evening would be able to find a formula which accommodated the Irish position without interfering with the course which the rest of the Community wished to follow.

FIX

The Prime Minister said that sanctions were a mark of disapproval of the Argentines for acting by force. They had taken territory by invasion and occupation. Since then they had gone on increasing both men and material in the Falkland Islands. They had made no attempt whatever to conform with Resolution 502 which called upon them to withdraw. If sanctions against them were now removed, this would appear to be conferring approval on the Argentinian invasion.

Mr Haughey then inquired about the efforts which the UN Secretary General was making to reach a negotiated settlement.

The Prime Minister said that on his return to New York Sir Anthony Parsons would be asking the Secretary General to make one more effort to reach a negotiated settlement. She believed that the negotiations would succeed or fail this week. The British Government had now considered several sets of proposals for a negotiated settlement, and we had been in discussion with the Secretary General for some time now. In the mean time not a single Argentine soldier had been withdrawn from the Falkland Islands. She had been particularly upset by President Galtieri's speech at the weekend when he had said that Argentina was prepared to sacrifice forty thousand Argentinian lives for the Falkland Islands if that were necessary. In this situation it was essential that the Community renewed sanctions. Even an extension of less than one month would be helpful.

Mr Haughey said that he personally would consider most carefully what the Prime Minister had said. He then went on to ask whether the Prime Minister wished to say anything to him about the other matters which the Foreign Ministers would be discussing in Luxembourg.

The Prime Minister said that she had just had a meeting with President Mitterrand at which they had discussed the Community budget and farm prices. The European Council had agreed that changes in the CAP and in the structure of the budget should go together. What had happened since then was that some changes in the CAP had been agreed - notably on the question of assistance for small milk producers which France badly wanted - but nothing had been done about the budget. If the necessary changes in the budget could not be secured now, we should have to go back to the 1980 formula for the third year.

Mr Haughey said that Ireland would make no difficulty about that. He wanted a mandate settlement as soon as possible.

The Prime Minister said that in her view it would be as easy to agree on a restructuring of the budget as on applying the 1980 formula for a third year. The problem was not fundamentally a very difficult one. But the tragedy of the European Community was that it always had to go to the brink before any changes could be agreed. Her discussions with President Mitterrand had not taken

## RESTRICTED - 3 the matter very much further. Indeed, they had spent most of the time discussing not the Community but the forthcoming economic summit. Mr Haughey said that he would like to offer Mrs Thatcher his "deepest sympathy" for the many problems she was facing. He did not want to make difficulties for her. He would try to be helpful. The Prime Minister said that she would be most grateful if sanctions against Argentina could be extended. Mr Haughey said that he would talk to his Foreign Minister at once to see if a formula on sanctions could be found which accommodated the Irish position. He wondered whether he and the Prime Minister should have a meeting soon. The Prime Minister said that they should. I am sending a copy of this letter to David Wright (Cabinet Office). Yours wer, Shrimme.

Francis Richards Esq., Foreign and Commonwealth Office.

RESTRICTED

PCONFIDENTIAL 10. DOWNING ST.

GRS 440 CONFIDENTIAL FM MADRID 171521Z MAY 82 TO PRIORITY FCO TELEGRAM NUMBER 279 OF 17 MAY INFO PRIORITY GOVERNOR GIBRALTAR(PERSONAL) UKMIS NEW YORK

MY TELNO 275(NOT TO ALL): FALKLANDS AND GIBRALTAR

YOU WILL HAVE NOTED A SHARP CONTRAST BETWEEN THE RELATIVELY CONSTRUCTIVE LINE TAKEN WITH ME IN PRIVATE BY THE SPANISH FOREIGN MINISTER AND THE MUCH LESS HELPFUL ATTITUDES ADOPTED IN PUBLIC BY HIS PRIME MINISTER (MY TELNO 276) AND REPRESENTATIVES AT THE UNITED NATIONS (UKMIS NEW YORK TELNO 754). EVEN ALLOWING FOR THE U SU AL HABIT HERE OF BEING ALL THINGS TO ALL MEN, THERE SEEMS LITTLE DOUBT THAT PEREZ-LLORCA REPRESENTS THE BEST POINT OF CONTACT WE HAVE WITH THE SPANISH GOVERNMENT. HIS ABILITY TO INFLUENCE EVENTS CONSTRUCTIVELY NEEDS TO BE BOLSTERED.

- 2. IN OUR TALK ON 15 MAY HE ADMITTED PERSONAL SYMPATHY FOR OUR RESISTANCE TO THE ARGENTINE INVASION. IT WOULD BE DISASTROUS FOR SPAIN IF MILITARY AGGRESSION WERE SEEN TO SUCCEED. I ASKED WHETHER HE REFERRED TO SPANISH TERRITORIAL PROBLEMS IN THE NORTH AFRICAN ENCLAVES AND THE CANARY ISLANDS. HE SAID THAT A FAR MORE IMPORTANT CONSIDERATION WAS INTERNAL. THOSE WHO DEFENDED ARGENTINA'S MILITARY ACTION AGAINST A "COLONIAL REGIME" AGAINST DEMOCRACY. BUT SUCH CONCEPTUAL THINKING WAS DIFFICULT TO EXPLAIN TO THE PUBLIC AT LARGE.
- 3. THE MINISTER ALSO EXPRESSED UNDERSTANDING FOR OUR POSITION ABOUT TAKING ACCOUNT OF THE OPINION OF THE POPULATION IN THE FALKLANDS. THERE WAS NO DIRECT PARALLEL WITH GIBRALTAR, WHERE SELF-DETERMINATION WAS RULED OUT BY THE TREATY OF UTRECHT. HE DID NOT WISH TO QUARREL WITH US ABOUT THE FINE DISTINCTION BETWEEN "WISHES" AND "INTERESTS" . BUT WE MUST BE CAREFUL TO AVOID GIVING PERPETUAL VETO RIGHTS. THE PREAMBLE TO THE GIBRALTAR CONSTITUTION HAD BEEN ARTFULLY DRAFTED IN THIS RESPECT.
- 4. I POINTED OUT THAT THE SPANISH GOVERNMENT WOULD BE IN AN EVEN WORSE MESS IF NEGOTIATIONS TO SOLVE ALL OUTSTANDING QUESTIONS OVER GIBRALTAR HAD NOT BEEN SCHEDULED TO START ON 25 JUNE. HE AGREED, WHILE EXPRESSING A PESSIMISTIC VIEW ABOUT WHAT YOU WOULD ACTUALLY BE ABLE TO CONCEDE TO HIM AT SINTRA. (SUCH PESSIMISM IS NO BAD THING. BUT WE MUST NOT ALLOW IT TO REACH A LEVEL WHERE PEREZ-LLORCA IS UNABLE TO CARRY HIS GOVERNMENT WITH HIM IN IMPLEMENTING THE LISBON AGREEMENT ON 25 JUNE). CONFIDENTIAL

15.

## CONFIDENTÍAL

5. THE GOVERNMENT HERE ARE STILL NERVOUS ABOUT THE RIGHT WING
THREAT AGAINST THEM, IN THE LIGHT OF THE CURRENT MILITARY TRIALS
AND THE ANDALUSIAN ELECTIONS ON 23 MAY. HENCE THEIR PUBLIC
FEEBLENESS. IN THESE CIRCUMSTANCES I RECOMMEND THAT, WHEN THE
CRUNCH COMES ON THE FALKLANDS, I SHOULD BE AUTHORISED TO GIVE
PEREZ-LLORCA AN URGENT ACCOUNT OF OUR FINAL DECISION. I WOULD
EMPHASISE OUR DISSATISFACTION WITH THE UNHELPFUL ROLE OF
DE PINIES AND URGE PEREZ-LLORCA PERSONALLY TO ENSURE A MORE
POSITIVE SPANISH POSITION IN THE SECURITY COUNCIL.

6. AT THE SAME TIME IT WOULD BE USEFUL TO TELL PEREZ-LLORCA
THAT YOU ACCEPT THE NEED TO SHOW PUBLICLY THAT THE SPANISH COURSE &
PEACEFUL NEGOTIATIONS TOWARDS THE SOLUTION OF DISPUTES OFFERS
GREATER PROSPECT OF EVENTUAL SUCCESS THAN THE ARGENTINE
METHOD OF USING FORCE. YOU MAY HAVE A CHANCE TO SEE HIM AT
DINNER IN BRUSSELS ON 24 MAY.

PARSONS

FALKLAND ISLAND GENERAL

FCO

SED

CABINET OFFICE

ADDITIONAL DISTRIBUTION

FALKLAND ISLANDS

GIBRALTAR

CONFIDENTIAL

(C)



#### 10 DOWNING STREET

From the Principal Private Secretary

17 May 1982

#### ITALY AND SANCTIONS AGAINST ARGENTINA

The Prime Minister spoke on the telephone at 1435 yesterday to Signor Colombo, who was in Luxembourg, about the renewal of Community sanctions against the Argentine. Immediately afterwards I gave a summary of their conversation to the Foreign Secretary's party in Luxembourg. This letter records the main points of the exchange between the Prime Minister and Signor Colombo.

The Prime Minister said that the decision on the continuation of Community sanctions against Argentina which was to be taken that day was a very important one not only for the United Kingdom but also for the Community as a whole and for all who believed in upholding the rule of law throughout the world. The United States and the vast majority of the third world had supported Britain in her stand against aggression, and we felt that it was essential at this stage to be seen by them to be preserving Community solidarity. The fact was that the United States alone could not solve the problem. The Community's decision on the renewal of sanctions would be very much taken in the United Kingdom as a test of the solidarity of the Community. Chancellor Schmidt and President Mitterrand had come out in public very strongly in favour of the renewal of sanctions. If the Community failed now to extend sanctions, they would be completely split. That was of course precisely what the Argentines wished to achieve. If the Community failed to renew sanctions it would immensely strengthen all those in the world who did not uphold international law and believed that it could be changed by force.

The Prime Minister went on to say that the Foreign and Commonwealth Secretary had just left a meeting she had been holding at Chequers to travel to Luxembourg to join the other Foreign Ministers of the Community there. He would tell them that we were sending our Ambassador to the United Nations back to New York with fresh instructions to continue the negotiations. If those negotiations were to have a chance of being successful — and it was the earnest wish of the British Government that they should be successful—then there had to be a continuation of economic sanctions. If the Argentine Government felt that the Community was no longer behind the United Kingdom, there would be no hope of getting a peaceful settlement. We must not weaken the pressure on Argentina at this vital stage. She was well aware of the difficulties which sanctions

/ presented

the

Signor Colombo said that he too hoped that it would help. He would continue to do his best and he would be in touch with the Foreign Secretary and with his other colleagues as soon as they arrived in Luxembourg. I am sending a copy of this letter to David Wright (Cabinet Office). CLIVE WHITMORE Francis Richards, Esq., Foreign and Commonwealth Office. RESTRICTED

Jear John c Office.

Foreign and Commonwealth Office London SW1A 2AH

17 May, 1982

ham M 35

#### EC Import Embargo

I attach a brief which the Prime Minister could use in talking on the telephone to Mr Haughey, as recommended by my Secretary of State (Luxembourg telegram number 134).

I am copying this letter to David Hancock in the Cabinet

(F N Richards) Private Secretar

A J Coles Esq Private Secretary No 10 Downing Street EC IMPORT EMBARGO: TALK WITH MR HAUGHEY

#### POINTS TO MAKE

- 1. Seriously concerned at implications of continuing deadlock in Community on renewal of embargo. Recognise special Irish position given its membership of Security Council, and strength of Irish feeling on neutrality and saving life.
- 2. But embargo is not simply reinforcing the effect of military measures. Our priority peaceful settlement if humanly possible. Of vital importance that European partners seen to be behind us in this.
- 3. Clear that Argentina was shaken by prompt and unequivocal European condemnation of its aggression. To fail to back this up with sustained pressure would send the Junta disastrous message at this critical stage in New York. It would stiffen Argentine intransigence, and set back prospects for negotiated settlement. Could well cost many lives.
- 4. Know how difficult it is for Ireland to support renewal. But appeal to Mr Haughey's statesmanship to recognise scale of what is at stake prospects for peace, and credibility of Europe.
- 5. (If CAP/Mandate comes up) Understand how important CAP prices are for Irish. But current price fixing will add substantially to our net contribution. Doing everything in our power to reach an agreement which will enable price fixing to go ahead. But this does not depend on us alone.

LUXFO 013/17 -ZZ F C O LASH PS OO DUBLA GR 120 CONFIDENTIAL. FM LUXEMBOURG 170750Z MAY 82 TO FLASH FCO TELEGRAM NUMBER 134 OF 17 MAY INFO DUBLIN (PERSONAL FOR HM AMBASSADOR). FOR PRIVATE SECRETARY FROM PRIVATE SECRETARY FALKLANDS: IRISH ATTITUDE 1. AFTER LAST NIGHT'S MINISTERIAL MEETING WE RECEIVED ANOTHER AS LAST TIME, THAT THE IRISH POSITION MIGHT CHANGE IF THE PRIME

1. AFTER LAST NIGHT'S MINISTERIAL MEETING WE RECEIVED ANOTHER HINT, FROM THE SAME WELL PLACED AND VERY WELL DISPOSED IRISH SOURCE AS LAST TIME, THAT THE IRISH POSITION MIGHT CHANGE IF THE PRIME MINISTER WERE TO MAKE A PERSONAL TELEPHONE CALL TO HAUGHEY. THE SOURCE (PLEASE PROTECT) REFERRED TO HAUGHEY'S VANITY. HE THOUGHT THAT IF THE PRIME MINISTER COULD ONLY PUT THE SITUATION TO HIM IN THE RIGHT WORDS, THIS MIGHT DO THE TRICK. THE SECRETARY OF STATE IS AWARE THAT THE PRIME MINISTER DECIDED AGAINST TELEPHONING HAUGHEY YESTERDAY, BUT STRONGLY ADVISES THAT SHE SHOULD DO SO AS SOON AS POSSIBLE TODAY.

THOMAS

NNNN

SENT/RECD AT 17/0806Z APH/HH

[COPY SENT TO E.R]

### ADVANCE COPIES: FALKLAND ISLANDS GENERAL (37)

PS PS R HURD PS/MR ONSLOW PS/PUS MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS LORD N G LEIMOX LORD BRIDGES MR URE MR GILLMORE HD/PUSD HD/S AL! D HD/DEF DEPT HD/NEWS DEPT HD/ERD HD/ECD(E) HD/UND HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK

RR UKMIS NEW YORK

RR MOD DI3(WEST)

GRS 270 CONFIDENTIAL FM MADRID 171136Z MAY 82 TO PRIORITY FCO TELEGRAM NUMBER 276 OF 17 MAY

INFO GOVERNOR GIBRALTAR (PERSONAL) VASHINGTON UKMIS NEW YORK MOD DI3(WEST)

FALKLANDS/GIBRALTAR

1. CALVO SOTELO ATTENDED A DINNER OFFERED BY A GROUP OF FOREIGN CORRESPONDENTS ON 14 MAY. THE OCCASION WAS A PRIVATE ONE: NOTHING OF WHAT WAS SAID WAS FOR THE RECORD. THE FOLLOWING IS BASED ON OUR DEBRIEFING OF RELIABLE BRITISH JOURNALIST.

SPANISH FOREIGN POLICY LINE. ON THE CONTRARY, HE WAS HIGHLY CRITICAL BOTH OF HMG'S 'WILLINGNESS TO FIGHT A COLONIAL WAR' AND OF THE US GOVERNMENT'S DISASTROUS DECISION TO ALIGN ITSELF WITH BRITAIN. HE SAID THAT THE US GOVERNMENT HAD FORFEITED ITS RIGHT

PS/NO 10 DOWNING ST (2)
PS/S OF S FOR DEFENCE

MR J STEWART AUSD STAFF MOI

PS/CHANCELLOR )
MR ILETT ) TREASURY
MR LITTLER )

SIR R ARMSTRONG
SIR M PALLISER . CABINET
MR WADE-GERY . OFFICE
MR FULLER SAPU/DIO .

RM 8 FOR MODUK C IN C FLEET

[Passed to E.R.]

[Typists a.a.]

ADVANCE COPY.

TO SPEAK FOR THE AMERICAN CONTINENT AND THAT THEREFORE SPAIN WOULD MORE THAN EVER HAVE TO BE RESPONSIBLE FOR REFLECTING HISPANIC OPINION. HE SAW THIS AS A MAJOR CONTRIBUTION SPAIN COULD WAKE TO THE NATO ALLIANCE.

3. OH GIBPALTAR HE SAID THAT IT WOULD BE NO USE GOING TO SINTRA WITH THE ORIGINAL AGENDA ON THE TABLE AND THE EXPECTATION THAT SPAIN WOULD OPEN THE FRONTIER. THERE WOULD HAVE TO BE A CLEAR SIGNAL THAT SUBSTANTIVE TALKS WERE POSSIBLE WITH SOVEREIGNTY INCLUDED. HE CONTRASTED LORD CARRINGTON'S FAMILIARITY WITH THE GIBRALTAR ISSUE WITH YOUR OWN NEED TO CONCENTRATE ON THE FALKLANDS SINCE YOU BECAME FOREIGN SECRETARY. HE GAVE THE IMPRESSION OF NOT EXPECTING THE SINTRA TALKS TO TAKE PLACE ON 25 JUNE.

PARSONS

MANN

SENT/RECD AT 17/1335Z PJ/MD

LE THE CALL STEEL

DECEN 1715352.

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[Passed to E.R.]
[Typists a.a.]

GR 400

UNCLASSIFIED

DESKBY 171700Z

FM UKMIS NEW YORK 171535Z MAY 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 762 OF 17 MAY 1982

INFO IMMEDIATE WASHINGTON.

INFO PRIORITY ALL CGS IN U.S.

FOR NEWS DEPARTMENT

FALKLANDS: STATEMENTS TO THE PRESS.

[IMMEDIATE]

ADVANCE COPY ADVANCE COPY

- 1. I TOOK THE FOLLOWING LINE WITH THE PRESS ON MY ARRIVAL AT JFK AT 1330Z:
- (A) I HAD HAD A VERY THOROUGH DISCUSSION OF ALL THE ISSUES WITH MY GOVERNMENT OVER THE WEEKEND AND I HAD COME BACK TO CONTINUE NEGOTIATING:
- (B) THERE WAS NO PARTICULAR CHANGE IN THE MOOD OF THE CABINET. WE WERE UP AGAINST VERY DIFFICULT PROBLEMS AND I DID NOT THINK THAT ANYONE, ON ANY SIDE, CONSIDERED THAT THIS ROUND OF

WERE UP AGAINST VERY DIFFICULT PROBLEMS AND I DID NOT THINK THAT ANYONE, ON ANY SIDE, CONSIDERED THAT THIS ROUND OF NEGOTIATIONS COULD GO ON INDEFINITELY: (C) (WHEN ASKED WHETHER THERE WAS A TIME LIMIT OR DEADLINE): NO TIME LIMIT BUT I SAID BEFORE I WENT AWAY WE ARE OBVIOUSLY TALKING IN TERMS OF DAYS, NOT WEEKS (A PHRASE WHICH I REPEATED FOUR TIMES): (D) (WAS I COMING BACK TO EXPEDITE THE TALKS): I WAS CERTAINLY NOT COMING BACK TO SLOW MATTERS DOWN. I WAS COMING BACK IN THE SAME MOOD AS WHEN I WENT AWAY: (E) (WHEN ASKED ABOUT A STATEMENT, ATTRIBUTED TO MR NOTT, THAT BRITAIN WOULD HEVER CONCEDE SOVEREIGNTY): AT THE OUTSET OF A NEGOTIATION IT WAS NATURAL FOR ANY SIDE TO STICK FIRMLY TO ITS POSITION. 2. AS HE ENTERED UN HEADQUARTERS THIS MORNING, THE SECRETARY-GENERAL GAVE THE FOLLOWING REPLIES TO QUESTIONS: Q. ARE YOU EXPECTING NEW PROPOSALS TODAY? A. I EXPECT SOME COMMENTS FROM THE TWO SIDES TODAY, MAINLY FROM THE BRITISH. PERHAPS AROUND 7PM I MAY BE ABLE TO TELL YOU SOMETHING A LITTLE MORE INTERESTING. Q. ARE YOU EXPECTING FINAL PROPOSALS? A. I SHOULD NOT SAY FINAL, BUT I EXPECT SOME COMMENTS FROM THEM. I THINK REALLY WE ARE AT THE FINAL STAGE OF OUR EXERCISE. Q. WHAT ABOUT THE ESCALATION OF THE MILITARY ACTIVITY? ARE YOU ALARMED BY THAT? A. IT IS NOT FOR ME TO COMMENT ON THE MILITARY ASPECTS OF THE PROBLEM. Q. DO YOU FEEL YOURSELF THAT THERE ARE ANY FINAL DEADLINES? A. I THINK WE ARE REALLY IN THE LAST DAYS OF MY EXERCISE. PARSONS NNNN

CONFIDENTIAL



10 DOWNING STREET

COL

From the Private Secretary

17 May 1982

Der Film,

#### The Falkland Islands: Sovereignty

Your letter of 17 May, containing the views of the Foreign and Commonwealth Secretary on a remark made by the Secretary of State for Defence to the media over the weekend, was discussed at OD(SA) this morning. It was agreed that, if further explanation of Mr. Nott's remark was necessary, the line should be taken that it was difficult to envisage the Falkland Islands becoming Argentine sovereign territory because it was difficult to believe that the Falkland islanders would wish, especially in the light of their recent experiences, to live under Argentine rule.

I am sending copies of this letter to the Private Secretaries to the other members of OD(SA).

your end folm toler.

John Holmes, Esq., Foreign and Commonwealth Office.

CONFIDENTIAL



# Foreign and Commonwealth Office London SW1A 2AH

17 May 1982

Doar John,

#### The Falkland Islands: Sovereignty

Mr Pym has asked that the following message be passed urgently to the Prime Minister and be copied to OD(SA) colleagues:

'I note from this morning's LPS summary of first editions that John Nott is reported to have said 'No, never when asked if he ever envisaged the Falkland Islands becoming Argentine sovereign territory. I have no means of knowing whether the quotation is accurate or what was the broader context in which the remarks were made. But, as it stands, the quotation is a gift to the Argentines and to others whom it may suit to argue that we are not serious in our negotiations for a peaceful settlement and that it is we who are prejudging the question of sovereignty. It is of course particularly important that this impression should not be created at a time when Tony Parsons is about to make the very important approach to De Cuellar which we agreed at Chequers on Sunday. I hope that action will be taken urgently to set the record straight and to give Tony (and Nicko Henderson) an appropriate line to take'.

When asked about this, our News Department have so far taken the line that there can be no prejudgement of the final outcome of the negotiations by either side and referred to Mr Pym's remarks in the House on 13 May:

'We accept that negotiations about the future of the Islands can exclude no possible outcome but equally we insist that they must predetermine none. Nothing excluded, nothing prejudged. That is a reasonable position and one on which we shall not compromise'.



I am copying this letter to the Private Secretaries to other members of  ${\rm OD}({\rm SA})$ .

Yuns ever Ly Hohnes

(J E Holmes) Private Secretary

A J Coles Esq 10 Downing Street CONFIDENTIAL



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 21.1.1/ Direct Dialling)
01-218 9000 (Switchboard)

MO 5/21

17th May 1982

N. L P. A.

Dear fram,

机学

1-a

DEATH OF PRISONER OF WAR ON SOUTH GEORGIA

In your letter of 7th May to David Omand about the death of an Argentinian POW on South Georgia, you asked for my Secretary of State's assurance that the Commanding Officer (in this case CINCFLEET) will be advised not to take any decision regarding a prosecution until he has received considered advice from London and that that advice will be given only after consultation with the Attorney-General. I have discussed this with my Secretary of State and can confirm that this is the position and that arrangements have been made to ensure that the Attorney-General is consulted.

A copy of this letter goes to John Coles at No 10 and to Henry Steel (Law Officers' Department.)

Your ever

(N H R EVANS)

B J P Fall Esq

CONFIDENTIAL

FALKLAND ISLANDS: FCO SITREP: 07.00, 17 MAY 1982

#### UNITED NATIONS

1. Following discussions at Chequers Sir Anthony Parsons returns to New York today. He has an appointment to see the UN Secretary General at 12 noon New York time.

#### EUROPEAN COMMUNITY

2. Meeting in Luxembourg on 16 May the Community Foreign Ministers decided to postpone discussion of the renewal of sanctions until a further meeting at 1800 hours today (17 May).

17 May 1982

Emergency Unit

FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION): 07.00 17 MAY 1982

#### UNITED NATIONS

1. Following the discussions at Chequers Sir Anthony Parsons is returning to New York this morning. He has an appointment to see the UN Secretary General at 12 noon New York time to hand over the Draft Interim Agreement and the letter confirming the exclusion of the Dependencies.

#### EUROPEAN COMMUNITY

- 122 of 16 May
- A Luxembourg tel 2. Before Foreign Ministers met on 16 May it had become known that the Irish and Italians would be unable to take a decision. Subject was reached after an hour on the Mandate. Olesen (Denmark) proposed postponement of discussion; supported by Cheysson. Tindemans then proposed that the discussion should be postponed until 1800 hours today (17 May). The Secretary of State agreed on the understanding that the significance of the decision to be taken was fully recognised.

#### JAPAN

- B Tokyo tel 237 of 17 May
- 3. HM Ambassador in Tokyo has recommended that the Prime Minister should seek a short bilateral with Mr Suzuki at the Versailles Summit to emphasise the important principles which our action has been designed to sustain. He also recommends that the Secretary of State should make the same points to Mr Sakurauchi.

17 May 1982

P R Fearn Emergency Unit

LUX/FCO ØØ5/17

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OO BRUSSELS

OO COPENHAGEN

OO THE HAGUE

OO ROME

OO DUBLIN

OO PARIS

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OO ATHENS

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CONFIDENTIAL

DESKBY 17¢7¢¢Z

FM LUXEMBOURG 16211¢Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 122 OF 16 MAY

INFO IMMEDIATE BRUSSELS COPENHAGEN THE HAGUE ROME DUBLIN PARIS

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16 MAY 1982

FM LUXEMBOURG 162110Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 122 OF 16 MAY

INFO IMMEDIATE BRUSSELS COPENHAGEN THE HAGUE ROME DUBLIN PARIS

BONN ATHENS UKMIS NEW YORK WASHINGTON UKDEL NATO.

FM UKREP BRUSSELS.

#### FALKLANDS.

- 1. BEFORE FOREIGN MINISTERS OF THE TEN MET HERE THIS EVENING
  IT BECAME KNOWN THAT THE IRISH AND ITALIANS WOULD BE UNABLE TO TAKE
  A DECISION TODAY. THEY AND OTHERS WANTED MORE TIME FOR CONSULTATION
  WITH OTHER MINISTERS AND WITH THEIR GOVERNMENTS.
- 2. WHEN THE SUBJECT WAS REACHED, AFTER AN HOUR ON THE MANDATE (SEE SEPARATE TELEGRAM), OLESEN (DEMARK) PROPOSED POSTPONING THE DISCUSSION. THERE HAD BEEN A HEATED DISCUSSION IN THE DANISH PARLIAMENT AND HIS GOVERNMENT WERE IN A VERY DIFFICULT POSITION. CHEYSSON (FRANCE) SUPPORTED POSTPONEMENT OF DISCUSSION UNTIL TOMORROW AND WARNED THAT THIS WAS A SERIOUS MATTER OF WAR OR PEACE. YOU AGREED ON THE SERIOUSNESS OF THE DECISION TO BE TAKEN AND OFFERED TO UP—DATE COLLEAGUES ON DEVELOPMENTS IN THE UN AND ON THE MILITARY SIDE.
- 3. TINDEMANS PROPOSED THAT DISCUSSION SHOULD BE POSTPONED UNTIL TOMORROW. (1800 HOURS). YOU AGREED ON THE UNDERSTANDKING THAT THE SIGNIFICANCE OF THE DECISION TO BE TAKEN WAS FULLY RECOGNISED BY ALL.
- 4. AFTER THIS VERY BRIEF DISCUSSION YOU EXPRESSED SURPRISE TO TINDEMANS THAT THE SUBJECT HAD BEEN TAKEN AFTER AND NOT BEFORE THE MANDATE. TINDEMANS DEFENDED HIMSELF BY SAYING THAT THIS WAS ON THE INSISTENCE OF CHEYSSON. HE PROMISED HOWEVER THAT FALKLANDS WOULD BE THE FIRST SUBJECT TO BE DISCUSSED TOMORROW.
- PRELIMINARY DISCUSSIONS, BUT THAT IN VIEW OF THE NEED FOR FURTHER CONSULTATIONS BETWEEN MINISTERS THE DECISION WILL BE TAKEN TOMORROW.

THOMAS -

F C O ADVANCE TO:-

FCO EVANS CROWE LAMBERT EMERGENCY UNIT GIFFARD URE
CAB WADE-GEARY HANCOCK GOODENOUGH COLVIN FULLER HATFIELD
DOT CORLEY

LDW NR 727/17

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GRS 370

CONFIDENTIAL

DESKBY 170900Z

FM TOKYO 1702007 MAY 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 237 OF 17/5/82

AND SAVING TO WASHINGTON , UKREP BRUSSELS, OTTAWA , PARRIS , BONN, AND ROME.

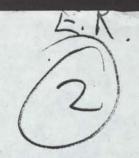
MIPT:

VERSAILLES SUMMIT: JAPANESE ATTITUDE TO FALKLAND ISLANDS DSIPUTE.

1. MR SUZUKI PROBABLY FEARS THAT HE WILL BE TACKLED
BY THE PRIME MINISTER'AT THE SUMMIT ABOUT JAPANESE
FEEBLENESS OVER THE FALKLANDS DISPUTE. I THINK THAT,
WHATEVER THE THEN POSITION AND BARRING AN UNEXPECTED
MOVE BY THE JAPANESE TO BAN ARGENTINE IMPORTS, IT WOULD
BE A MISTAKE TO DISAPPOINT HIS FEARS. I ACCORDINGLY
RECOMMEND THAT MRS THATCHER SHOULD SEEK A SHORT
BILATERAL MEETING WITH MR SUZUKI.

2. THE PRIME MINISTER MIGHT EMPHASISE TO MR SUZUKI
THE IMPORTANT PRINCIPLES WHICH OUR ACTION HAS BEEN DESIGNED
TO SUSTAIN AND REPEAT SOME OF THE POINTS IN YOUR TELNO

3. I ALSO HOPE THAT YOU WILL FIND ANOPPORTUNITY
TO MAKE THE SAME POINTS DIRECT TO MR SAKURAUCHI.
YOU MIGHT WISH TO REMIND MR SAKURAUCHI THAT DESPITE
OUR LEGAL DIFFICULTIES, WE HAVE BEEN PREPARED TO GO
A LONG WAY TO SUPPORT THE JAPANESE POSITION OVER
THE NORTHERN ISLANDS AND HAVE BEEN WORKING FOR A



THE IMPORTANT PRINCIPLES WHICH OUR ACTION HAS BEEN DESIGNED TO SUSTAIN AND REPEAT SOME OF THE POINTS IN YOUR TELNO 176. 3. I ALSO HOPE THAT YOU WILL FIND ANOPPORTUNITY TO MAKE THE SAME POINTS DIRECT TO MR. SAKURAUCHI. YOU MIGHT WISH TO REMIND MR SAKURAUCH! THAT DESPITE OUR LEGAL DIFFICULTIES, WE HAVE BEEN PREPARED TO GO A LONG WAY TO SUPPORT THE JAPANESE POSITION OVER THE NORTHERN ISLANDS AND HAVE BEEN WORKING FOR A CLOSER EUROPEAN/ JAPANESE POLITICAL DIALOGUE AND FELT ENTITLED TO EXPECT YORE POSITIVE JAPANESE SUPPORT ON THIS ISSUE THAN WE RECEIVED. 4. I SUGGEST, HOWEVER, THAT THE TONE SHOULD BE MORE OF SORROW THAN ANGER, DESIGNED TO MAKE THE JAPANESE REALISE THAT BEHAVIOUR OF THIS KIND IS NOT SUCH AS TO WIN FRIENDS AND INFLUENCE. I HOPE IT CAN ALSO BE MADE CLEAR THAT NEVERTHELESS WE WISH TO MAINTAIN A CLOSE POLITICAL DIALOGUE WITH JAPAN AND THAT TO THIS END YOU LOOK FORWARD TO THE NEXT ROUND OF MINISTERIAL LEVEL CONSULTATIONS DUE TO BE HELD IN LONDON) AND THAT MRS THATCHER LOOKS FORWARD TO HER VISIT TO JAPAN IN SEPTEMBER. 5. I AM SENDING TO GIFFARD BY TELELETTER TO-DAY AN . ASSESSMENT OF THE JAPANESE POSITION ON THE FALKLANDS ISSUE AND IMPLICATIONS FOR POLICY TOWARDS JAPAN. F C O PSE PASS SAVING TO WASHINGTON, UKREP BRUSSELS, OTTAWA , PARIS, BONN, AND ROME. CORTAZZI NNNN

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OO WASHINGTON DESKBY 170300Z

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DESKBY WASHINGTON UKMIS NEW YORK 17\$3\$\$Z

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FM LUXEMBOURG 170100Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 125 OF 17 MAY

INFO IMMEDIATE WASHINGTON UKMIS NEW YORK (PERSONAL FOR AMBASSADOR/ MINISTER).

PERSONAL FROM PRIVATE SECRETARY FOR PUS AND PRIVATE SECRETARY. FALKLAND I SLANDS: SECRETARY OF STATE'S MEETING WITH HAIG.

- 1. THE SECRETARY OF STATE HAD AN HOUR'S TALK ALONE WITH HAIG ABOUT THE FALKLANDS, AND BRIEFED HIM IN GENERAL TERMS. HAIG EXPRESSED CONCERN ABOUT SOME DEVELOPMENTS IN WASHINGTON DURING HIS ABSENCE (IN PARTICULAR, HE THOUGHT THAT REGAN HAD BEEN POORLY ADVISED WHEN HE PHONE THE PRIME MINISTER), BUT HE EMPHASISED THAT THERE WAS NO DOUBT ABOUT THE PRESIDENT'S AND HIS SUPPORT FOR US.
- 2. HAIG SAID HE THOUGHT THAT PEREZ DE CUELLAR WOULD HAVE TO BRING THE NEW YORK TALKS TO A CLOSE IN THE NEXT FEW DAYS, POSSIBLY AS EARLY AS TUESDAY, BY PUTTING A FIRM PROPOSAL FOR A SETTLEMENT TO BOTH SIDES. THE SECRETARY OF STATE SAID WE HAD NOTHING IN WRITING YET EXCEPT ARGENTINE LANGUAGE ON NON-PREJUDGING.
- 3. THE SECRETARY OF STATE SAID THERE HAD BEEN A THOROUGH REVIEW OF ALL OF THE OUTSTANDING ISSUES AT CHEQUERS TODAY. THE 'CONCESSION ON SOVEREIGNTY . ( WHICH HAIG SAID THE ARGENTINES WERE BRAGGING ABOUT EVERYWHERE) WAS NOTHING LIKE AS IMPORTANT AS THE ARGENTINES

CLAIMED. THE INTERIM ADMINISTRATION RAISED QUESTIONS OF PARTICULAR . DIFFICULTY FOR US. WE COULD NOT ACCEPT THE KIND OF SOLUTION THAT WE MIGHT HAVE A LITTLE WHILE AGO. WE WERE WORKING ON A PIECE OF PAPER WHICH WE SHOULD BE ABLE TO SHOW HAIG VERY SHORTLY. HAIG SUGGESTED THAT WE SHOULD LOOK AGAIN AT THE IDEAS WE HAD FIRST CONSIDERED, WHICH WOULD HAVE GIVEN US A VETO (PRESUMABLY A REFERENCE TO THE TEXT ON A US/UK/ARGENTINE INTERIM ADMINISTRATION. 4. HAIG RESPONDED POSITIVELY TO THE SECRETARY OF STATE'S SUGGESTION THAT THE AMERICANS SHOULD PUT PRESSURE ON THE ARGENTINES TO LEAVE THE DEPENDENCIES OUT OF ANY AGREEMENT. THE SECRETARY OF STATE EXPLAINED THAT BRITISH PUBLIC OPINION WOULD NOT ACCEPT GIVING UP SOUTH GEORGIA, WHICH WOULD IN ANY CASE HAVE TO BE USED BY THE NAVY DURING WITHDRAWAL FROM THE FALKLANDS. 5. HAIG WAS LESS FORTHCOMING ABOUT SECURITY GUARANTEES. HE SAID THAT THE AMERICANS WOULD NOT BE ABLE TO PROVIDE ONE ON THEIR OWN: THEY HAD ALREADY LOST TOO MUCH GROUND IN LATIN AMERICA BY THEIR SUPPORT FOR BRITAIN DURING THE CRISIS. BUT A JOINT GUARANTEE BY THE US AND BRAZIL. OR PERHAPS WITH PERU AND FRANCE ALSO INVOLVED (THE FRG HAD GOT COLD FEET) MIGHT BE POSSIBLE. HAIG DID NOT SEEM TO HAVE GIVEN FURTHER THOUGHT TO THE QUESTION OF VERIFICATION. 6. HAIG SAID GALTIER! WOULD CERTAINLY FALL: THE ONLY QUESTION WAS WHEN. THE AMERICANS WOULD PREFER HIM TO FALL AFTER SOME KIND OF SETTLEMENT. IF HE FELL IN THE WAKE OF A MILITARY HUMILIATION HE WOULD BE REPLACED BY THE PERONISTAS. WHO WERE WORKING CLOSELY WITH THE COMMUNISTS AND THE SOVIET UNION. 7. THE SECRETARY OF STATE WILL SEE HAIG AGAIN ON MONDAY AFTERNOON AND BRIEF HIM IN MORE DETAIL ABOUT THE NEXT STEPS IN NEW YORK. 8. SEE MIFT ON MILITARY ASPECTS. THOMAS

NNNN

17 May 1982

Further message from the President of Brazil to the Prime Minister

Thank you for your undated letter proposing a draft reply from the Prime Minister to the latest message received from the President of Brazil. We agreed on the telephone that this has been overtaken by this morning's discussion at OD(SA) when it was decided that consideration should be given to an approach to Brazil and Mexico in the context of the latest round of negotiations in New York.

JOHN COLES

John Holmes, Esq., Foreign and Commonwealth Office.



10 DOWNING STREET 17 May 1982 THE PRIME MINISTER lea Achtichep. Thank you for your letter of 13 May. I am sorry if you were puzzled by my last letter. The passage in the letter from you and Cardinal Gray that surprised me read: "However, even then, the point was made that traditional Christian morality insisted on other conditions to ensure that our conduct of hostilities remained morally justified, namely that there should be due proportion between the end to be achieved and the means used, and that there should not be an escalation of hostilities. We seriously question whether this is the case at the present time. I took that as meaning that you questioned whether our use of force was morally justified. If I was wrong, then I am glad to hear it, and grateful to you for putting the record straight. Livery food wish.

Jour minet His Eminence the Cardinal Archbishop of Westminster

TOP SECRET 1/FCO 001/17 ADVANCE COPY OO F C O DESKBY 170600Z IMMEDIATE DESKBY 17Ø3ØØZ OO WASHINGTON OO UKMIS NEW YORK DESKBY 170300Z 1 PS/PUS (Coylle 1 73) GRS 18Ø (Boy 1620+3) DEDIP TOP SECRET DESKBY WASHINGTON UKMIS NEW YORK 170300Z DESKBY FCO 170600Z FM LUXEMBOURG 170102Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 126 OF 17 MAY INFO IMMEDIATE WASHINGTON UKMIS NEW YORK (PERSONAL FOR AMBASSADOR/ MINISTER). PERSONAL FROM PRIVATE SECRETARY FOR PUS AND PRIVATE SECRETARY. FALKLAND ISLANDS: SECRETARY OF STATE'S MEETING WITH HAIG. MIPTE MILITARY MATTERS. 1. HAIG SEEMED MORE CONFIDENT THAN IN EARLIER MEETINGS OF OUR ABILITY TO DO THE JOB MILITARILY, AND ASSUMED THAT WE WOULD NOT BE ABLE TO WAIT MUCH LONGER. HE ARGUED STRONGLY AGAINST ACTION AGAINST THE MAINLAND, BUT SEEMED OTHERWISE UNDISTURBED ABOUT THE MILITARY PROSPECTS (DESPITE HIS APPARENT WISH TO SEE GALTIERI FALL AFTER A SETTLEMENT RATHER THAN A MILITARY HUMILIATION: SEE MIPT PARA 6). 2. THE SECRETARY OF STATE WARNED HAIG OF THE POSSIBLE NEED TO SHOOT DOWN AN ARGENTINE 707 WHICH WAS BEING USED FOR SURVEILLANCE. HAIG SEEMED RELAXED, AND WONDERED ALOUD WHETHER WE HAD THE RIGHT KIND OF LONG RANGE SURFACE TO AIR MISSILES. 3. HAIG SAID THE AMERICANS HAD FOUND THE OTHER US-BUILT ARGENTINE SUBMARINE. IT WAS IN TROUBLE AND UNABLE TO SUBMERGE. THOMAS NNNN TOP SECRET

ADVANCE COPIES: FALKLAND ISLANDS GENERAL (38)

IMMEDIATE

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MR URE

MR GILLMORE

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HD/PLANNING STAFF

MR ANTHONY WILLIAMS W60

EMERGENCY ROOM

RESIDENT CLERK

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MR J STEWART AUSD STAFF MOD

PS/CHANCELLOR )

MR ILETT ) TREASURY

MR LITTLER

SIR R ARMSTRONG CABINET SIR M PALLISER OFFICE MR WADE-GERY

MR FULLER SAPU/DIO DIO

RM/8 FOR MODUK CIN C PLEET

[Passed & E.R.] [Mpists San]

CONFIDENTIAL

FM WASHINGTON 170300Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 1781 OF 16 MAY

INFO IMMEDIATE LUXEMBOURG (FOR S OF S'S PARTY) PRIORITY CANBERRA.

FALKLANDS: AUSTRALIAN PRIME MINISTER'S CALL ON PRESIDENT REAGAN.

MR FRASER ARRIVED IN WASHINGTON THIS EVENING FOR A DISCUSSION TOMORROW WITH PRESIDENT REAGAN, HE HAS ASKED THAT YOU SHOULD BE INFORMED THAT HE WILL BE MAKING TWO BASIC POINTS ON THE FALKLANDS:-

- (1) THAT SUPPORT FOR THE BRITISH POSITION AND FOR WHAT MRS THATCHER IS TRYING TO ACHIEVE IS OF CRITICAL THPORTANCE TO THE WESTERN ALLIANCE .
- (11) THAT BRITAIN'S RESISTANCE TO ARGENTINE INVASION OF THE FALKLANDS IS IN THE INTERESTS OF EVERYONE. FEW COUNTRIES NOWADAYS HAD THE GUTS TO FIGHT AGGRESSION AND THIS DESERVED THE FULLEST INTERNATIONAL SUPPORT.

2. IN PASSING THIS ON AT MR FRASER'S REQUEST, PRICE (AUSTRALIAN CHARGE D'AFFAIRES) SAID THAT HIS PRIME MINISTER THOUGHT YOU MIGHT 2. IN PASSING THIS ON AT MR FRASER'S REQUEST, PRICE (AUSTRALIAN CHARGE D'AFFAIRES) SAID THAT HIS PRIME MINISTER THOUGHT YOU MIGHT FIND IT USEFUL IN DEALING WITH YOUR EUROPEAN COLLEAGUES TO KNOW THAT HE WOULD BE TAKING THIS LINE HERE. HE HAD ASKED THAT WE SHOULD TREAT THIS AS CONFIDENTIAL UNTIL HE HAD SEEN PRESIDENT REAGAN. HIS APPOINTMENT IS AT 1800 GMT ON 17 MAY.

3. PRICE ASKED IF I HAD ANY COMMENTS. I SAID THAT I KNEW MR FRASER'S ROBUST LINE WOULD BE VERY WELCOME IN LONDON. I THOUGHT HE WOULD FIND PRESIDENT REAGAN IN AGREEMENT ON THE BASIC ISSUES. BUT CONCERNED ABOUT THE COST OF U.S. SUPPORT FOR THE U.K. IN TERMS OF U.S. RELATIONS WITH LATIN AMERICA. I SAID MR FRASER MIGHT WISH, WHILE RECOGNISING THIS PROBLEM, TO EMPHASISE THE NEED NOT TO EASE THE PRESSURE ON THE ARGENTINIANS AT THE PRESENT CRITICAL STAGE. I ALSO SUGGESTED THAT IT WOULD BE HELPFUL IF MR FRASER COULD UNDERLINE THAT NO ONE SHOULD BE DELUDED BY ARGENTINIAN CLAIMS OF READINESS TO FOREGO THEIR EARLIER INSISTENCE ON PREJUDGEMENT OF THE SOVEREIGNTY ISSUE AT THE OUTSET. THIS WAS THE LEAST THAT COULD BE EXPECTED OF THEM. IT WAS STILL VITAL FOR US TO MAKE SURE THAT THE OTHER ELEMENTS IN AN EVENTUAL PACKAGE (PARTICULARLY THE ARRANGEMENTS FOR AN INTERIM ADMINISTRATION ON WHICH I EXPLAINED OUR OBJECTIVES) DID NOT PREJUDGE THE OUTCOME. PRICE UNDERTOOK TO SEE THAT MR FRASER WAS SEIZED OF THIS POINT.

THOMAS

MNNN



#### EC Sanctions

1. The Political Committee agreed to refer the decision on renewing sanctions to Foreign Ministers. The Foreign Ministers will meet in Luxembourg at 19.30 hours on 16 May.

#### Military Action

- 2. MOD have issued a statement saying that a raid was carried out against military installations and aircraft on Pebble Island. A number of aircraft on the ground and a large ammunition dump were destroyed. The forces concerned have rejoined the Task Force; all returned safely with only two minor casualties.
- 3. Harriers have carried out further attacks on Port Stanley airfield and associated military installations. All aircraft returned safely.

# FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION) : 07.00, 16 MAY 1982

EC

Brussels telno.180) 3 COREU telegram of 15 May)

1. As expected the Political Committee on 15 May did not agree to prolong sanctions. Ministers will meet at 1930 on 16 May in Luxembourg to take a decision. Country positions were:-

#### (a) Denmark

Agreed to a prolongation of sanctions if there was a general wish among the Ten to do so. The Danish Government could only agree to renewal on the basis of Article 224. Sanctions could be implemented within 2 days by special legislation;

#### (b) FRG

Ministers would have to decide, preferably at the last moment. The need to remain solidly in support of an ally would govern the German position;

#### (c) Greece

Position unchanged. Agreement that all possible pressures should be brought to bear on Argentina in a search for a political solution;

#### (d) France

Solid support for UK insistence that SCR 502 should be implemented in full. Importance attached to solidarity of the Ten. Ministers should discuss and a decision be taken by consensus;

#### (e) Ireland

Instructions not to agree to renewal. The Irish Representative outside the meeting expressed the view that only the intervention of the Prime Minister by telephone with Mr Haughey before Foreign Ministers meet in Luxembourg could move the Irish position;

#### (f) Italy

Colombo is in favour of delaying a decision as long as possible. Ministers should reinforce their condemnation of Argentina and their emphasis on SCR 502. The arms embargo should be maintained and strengthened. Economic sanctions had attracted much criticism and public and political opinion was against renewal. Italy argued for a gesture towards Argentina to encourage a peaceful solution. This proposal with a further suggestion of introduction of selective sanctions or a temporary suspension of sanctions was discouraged by the

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Commission and the Presidency;

#### (g) Luxembourg

Solidarity with the UK and full agreement to renew sanctions;

#### (h) Netherlands

Agree to renew for a further month. Delay could give the wrong signal to Argentina;

#### (i) Belgium

Continue to support the UK and agree to renewal for one month or more.

2. The Commission identified technical reasons for continuing on the basis of Article 113. A switch to Article 224 could create a gap since only Denmark was likely to be ready to legislate immediately. The Commission suggested outside the meeting that perhaps the Danish Government could take parallel action under Article 224 in accordance with a general decision taken under Article 113.

#### (UKREP Brussels telno.1962)

#### COREPER (Ambassadors)

3. After a brief discussion, it was agreed that since the Political Committee had just agreed to refer the decision on sanctions to Ministers, a text of the Draft Regulation could be agreed once Ministers had reached a decision. The President accepted this but asked Permanent Representatives to consider how long it might take their Governments to introduce national measures if they should be agreed.

#### Prime Minister's Telephone Call to Mr Spadolini

4. Arrangements are in hand for the Prime Minister to telephone Mr Spadolini at 9.30 this morning.

#### Secretary of State's Meeting with Mr Haig

5. Officials in Mr Haig's party in Athens have been informed of the Secretary of State's availability immediately prior to the Ministers' meeting in Luxembourg and will be telephoning to arrange a meeting during the morning.

#### Comment

- 6. The Political Committee discussion went as expected. It is likely that with the intervention of the Prime Minister with Italy and perhaps with Ireland, a decision will be taken tonight to renew sanctions. Delay could be serious.
- 7. OD(SA) will meet today to take a position on negotiations at New York where there have been no further developments.

Alaym.

A J Payne

16 May 1982





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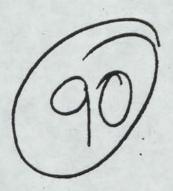
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EUROPEAN POLITICAL COOPERATION : POLITICAL COMMITTEA, BRUSSELS
15 MAY
FALKLANDS : COMMUNITY SANCTIONS
SUMMARY

DISCUSS BUT TIME NOT SETTLED (TINDEMANS IS TELEPHONING GENSCHER AND CHEYSSON TO URGE THEM TO ACCEPT SUNDAY 16 NAY). FRENCH AND GERMANS SAID DECISION BETTER TAKEN AT MINISTERIAL LEVEL. IRISH AND ITALIANS HAD INSTRUCTIONS WHICH DID NOT ALLOW THEM TO AGREE AT THIS STAGE TO RENEWAL OF SANCTIONS. DENMARK UNDER FIRM INSTRUCTIONS NOT TO AGREE TO ACTION UNDER ARTICLE 113, NOR TO DISCUSS WAYS AROUND THIS PROBLEM EITHER IN THE POLITICAL COMMITTEE OR IN COREPER.

STRONG EXPRESSIONS OF SOLIDARITY WITH UK FROM ALL THE OTHERS AND ALSO FROM FRENCH AND GERMANS. MINIMAL PRESIDENCY STATEMENT TO THE PRESS.

BULLARD SPOKE USING NOTES IN MIFT. A TOUR DE TABLE ON RENEWAL OF SANCTIONS FOLLOWED.

3. DYVIG (DENMARK) SAID THAT IN THE LIGHT OF EFFORTS IN TRAIN TO FIND A PEACEFUL SOLUTION HIS INSTRUCTIONS WERE TO AGREE ON PROLONGATION OF SANCTIONS IF THERE WAS A GENERAL WISH AMONG THE TEN TO DO SO. HOWEVER THIS COULD NOT BE ON THE BASIS OF ARTICLE 113. HIS GOVERNMENT HAD GONE ALONG WITH USE OF THIS ARTICLE ON 10 APRIL ONLY BECAUSE OF THE URGENCY OF THE SITUATION. IT HAD SINCE CREATED SERIOUS PARLIAMENTARY PROBLEMS FOR THE DANISH GOVERNMENT AND IT WAS A POLITICAL FACT THAT PROLONGATION COULD ONLY BE ON THE BASIS OF ARTICLE 224. DENMARK HAD PREPARED A DRAFT LAW WHICH COULD BE PASSED IN TWO DAYS. THE POSITION HAD NOT BEEN HELPED BY THE COMMISSION'S ANNOUNCEMENT THAT IT WOULD PROPOSE RENEWAL OF SANCTIONS. AT VILLERS—LE—TEMPLE THE DANISH FOREIGN MINISTER HAD SPECIFICALLY ASKED THE COMMISSION NOT TO MAKE SUCH AN ANNOUNCEMENT.

4. PFEFFER (FRG) SAID THAT HIS INSTRUCTIONS FROM GENSCHER WERE TO

- A) THAT A DECISION TO PROLONG SANCTIONS SHOULD BE TAKEN AT THE LAST POSSIBLE MOMENT, IE ON 17 MAY:
  - B) THAT MINISTERS THEMSELVES SHOULD TAKE THE DECISION AND
- C) THAT IN TAKING THAT DECISION THE FRG WOULD BE GUIDED BY THE SAME CONSIDERATIONS IT HAD TAKEN INTO ACCOUNT SINCE THE START OF THE CONFLICT.

AS AN INDICATION OF WHAT THESE WERE HE QUOTED GENSCHER'S REMARK AT VILLERS-LE-TEMPLE THAT QUOTE A FRIEND IS A FRIEND, A PARTNER IS A PARTNER, AN ALLY IS AN ALLY UNQUOTE.

5. KATOPODIS (GREECE) SAID HIS GOVERNMENT'S POSITION WAS UNCHANGED.
THERE HAD BEEN AN ILLEGAL INVASION, USE OF FORCE AND OCCUPATION.
ALL POSSIBLE PRESSURES SHOULD BE BOUGHT TO BEAR ON ARGENTINA TO
SEEK A POLITICAL SOLUTION. GREECE WOULD THEREFORE SUPPORT A ONE
MONTH EXTENSION. EFFORTS SHOULD MEANWHILE CONTINUE FOR A POLITICAL
SOLUTION AND ANY INITIATIVE TO THAT END SHOULD BE ENCOURAGED.

- 6. DUPONT (FRANCE) CONFIRMED FRENCH SCLIDARITY WITH THE UK
  AND THEIR WISH TO SEE SCR 502 IMPLEMENTED. HOWEVER FRANCE WISHED

  HAT SOLIDARITY WITH THE UK SHOULD BE SOLIDARITY OF THE TEN.

  E CRISIS IN THE FALKLANDS SHOULD NOT LEAD TO A CRISIS IN
  THE COMMUNITY. MINISTERS SHOULD THEREFORE DISCUSS THE QUESTION
  AND REACH A CONSENSUS. HE SUPPORTED THE GERMAN PROPOSAL OF A
  MINISTERIAL DISCUSSION ON MONDAY 17 MAY.
  - 7. MCKERNAN (IRELAND) RECALLED IRISH STATEMENTS OF 2 AND 4 MAY AND SAID THAT THE IRISH BELIEVED THAT THEIR REACTIVATION OF THE SECURITY COUNCIL HAD BEEN QUOTE OBJECTIVELY UNQUOTE HELPFUL. AT VILLERS-LE-TEMPLE THE IRISH FOREIGN MINISTER HAD EXPLAINED THAT SANCTIONS SHOULD BE DROPPED SINCE THEY NOW COULD BE SEEN AS OPERATING IN SUPPORT OF MILITARY MEASURES. HIS INSTRUCTIONS WERE NOT TO AGREE TO A PROLONGATION. BUT HE COULD AGREE TO A DISCUSSION BY MINISTERS. HE AGREED WITH DYVIG'S CRITICISM OF THE COMMISSION ANNOUNCEMENT.
  - 8. BOTTAI (ITALY), ECHOING A GENERAL SENTIMENT, THANKED THE UK FOR THEIR THOROUGH BRIEFINGS ESPECIALLY THOSE IN NEW YORK ON 13 AND 14 MAY. COLOMBO ALSO WISHED TO SEE A DECISION DELAYED AS LONG AS POSSIBLE IE UNTIL MONDAY EVENING. HE UNDERSTOOD THE IMPORTANCE OF REAFFIRMING POLITICAL SOLIDARITY WITH THE UK AND THOUGHT THAT MINISTERS SHOULD REINFORCE THEIR CONDEMNATION OF ARGENTINA AND THEIR EMPHASIS ON SCR 502. THEY SHOULD ALSO MAINTAIN AND IF POSSIBLE STRENGTHEN THE ARMS EMBARGO.
  - 9. AS FAR AS ECONOMIC SANCTIONS WERE CONCERNED THERE HAD BEEN A VIGOROUS DEBATE IN THE ITALIAN PARLIAMENT. THERE WERE MANY IN ITALY WHO THOUGHT THAT SANCTIONS HAD ONLY TENDED TO UNITE THE ARGENTINE PEOPLE AROUND THE JUNTA. THESE CRITICISMS HAD BECOME STRONGER OVER THE PAST MONTH AND HAD BEEN REINFORCED BY ARGENTINE PROPAGANDA. BOTH THE EXTREME LEFT AND THE EXTREME RIGHT NOW TOOK THIS POSITION AS A RESULT OF GROUND SWELL AMONG THEIR HEMBERS. EVEN AMONG THE CHRISTIAN DEMOCRATS THERE WAS NOW A MAJORITY AGAINST SANCTIONS. THE ARGUMENT OF THESE GROUPS WAS THAT THIS WAS A MOMENT TO MAKE AIFAVOURABLE GESTURE OF UNDERSTANDING TOWARDS ARGENTINA WHICH WOULD ENCOURAGE A PEACEFUL SOLUTION. THE ITALIAN GGVERNMENT HAD NOT TAKEN ITS DECISION BUT HE HAD BEEN ASKED BY HIS MINISTER TO GIVE A FRANK ACCOUNT OF THE DOMESTIC SITUATION.

the second of th ON A PERSONAL BASIS BOTTAL WONDERED WHETHER IT MIGHT BE ROSSIBLE FOR THE COMMUNITY TO TAKE A DECISION ON MORE SELECTIVE AUCTIONS, OR TEMPORARILY TO SUSPEND SANCTIONS WITH A DECISION TO RESEAMINE AND POSSIBLY REINTRODUCE THEM LATER. THIS COULD BE PRESENTED AS A GESTURE OF GOODWILL TOWARDS THE ARGENTINE GOVERNMENT WITH THE INTENTION OF GIVING THEM AN OPPORTUNITY TO CLIMB DOWN WITHOUT LOSS OF FACE, MINISTERS SHOULD BE PREPARED TO CONSIDER THIS AND OTHER FORMULAE. 11. BLOSS (LUXEMBOURG) CONFIRMED SOLIDARITY WITH THE UK AND SAID THAT HE COULD AGREE TO SANCTIONS THEN AND THERE. BUT LUXEMBOURG STILL WISHED TO SEE A NEGOTIATED SETTLEMENT. JACOBSON (NETHERLANDS) WAS ALSO READY TO AGREE SANCTIONS FOR A FURTHER MONTH. ANY WEAKENING WOULD REDUCE THE CHANGE OF A PEACEFUL SOLUTION. EVEN A. DELAY IN TAXING A DECISION COULD GIVE THE WRONG SIGNAL TO ARGENTINA. CAHEN (FOR BELGIUM) SAID HIS GOVERNMENT CONTINUED TO

SUPPORT THE UK AND WISHED TO SEE A PEACEFUL SOLUTION BASED ON SCR

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DELAY IN TAKING A DECISION COULD GIVE THE WRONG SIGNAL TO ARGENTINA. CAHEN (FOR BELGIUM) SAID HIS GOVERNMENT CONTINUED TO SUPPORT THE UK AND WISHED TO SEE A PEACEFUL SOLUTION BASED ON SCR. PROLONGED FOR ONE MONTH OR MORE.

DECISION TO PROPOSE THE EXTENSION OF SANCTIONS AT THE LAST POSSIBLE MOMENT. IT WAS TO BE INTERROGATED ABOUT THIS IN THE EUROPEAN PARLIAMENT AND IT WOULD HAVE BEEN IMPOSSIBLE FOR THE COMMISSION NOT TO STATE ITS POSITION. THE COMMISSION BELIEVED THAT THE TECHNICAL REASONS FOR CONTINUING ON THE BASIS OF ARTICLE 113 WERE STRONG. A SWITCH TO ARTICLE 224 COULD CREATE A GAP SINCE PROBABLY ONLY DENMARK WAS READY TO LEGISLATE IMMEDIATELY. DISCUSSION OF THIS POINT WAS HOWEVER FOR COREPER. HE THOUGHT THE IDEAS MENTIONED BY BOTTAL WERE TECHNICALLY POSSIBLE BUT POLITICALLY UNDESIRABLE.

13. IN DISCUSSION ON DATES, BULLARD SAID THAT THE UK SAW NO NEED TO WAIT UNTIL THE LAST MOMENT. WITH SUPPORT FROM OTHERS HE MADE THE POINT THAT BY DELAYING TOO LONG THE COMMUNITY MIGHT EFFECTIVELY BE TAKING TO ALLOW SANCTIONS TO LAPSE.

14. IN PRIVATE DISCUSSION AFTERWARDS JENKINS (COMMISSION) SAID HE THOUGHT THAT A SOLUTION TO THE DANISH DIFFICULTIES MIGHT BE POSSIBLE BY WHICH A DECISION WOULD BE TAKEN UNDER ARTICLE 113 BUT THE DANES IN PARALLEL WOULD BE ALLOWED TO TAKE NATIONAL MEASURES. HE PROMISED TO BRIEF THORN ON THIS POSSIBILITY. HE WAS INCLINED NOT TO TRY THIS ON THE DANES BEFOREHAND, BUT RATHER TO SPRING IT ON THEM AT THE MINISTERIAL MEETING IF AGREEMENT COULD BE REACHED ON NO OTHER BASIS.

15. IT WAS AGREED THAT THE PRESIDENCY SHOULD TELL THE PRESS ONLY THAT THE POLITICAL COMMITTEE HAD MET TO PREPARE FOR THE MINISTERIAL DISCUSSION ON THE MEASURES AGAINST ARGENTINE IMPORTS BEFORE THEIR EXPIRY.

JACK SON

116 MAY 1982 ACTION FM DRU COPEU TO ALL COREU -1 H M E D 1 A T- DECKRY 1608002 ( 10H. BELGE ) CPE MUL ETR 1979 15.05.62 - 22.50 HRS CONFIDERTIEL. DISTRIBUTION LIMITEE LA PRESIDENCE CONFIRME LA REHCONTRE MINISTEMIELLE PREVUE POUR LE DIMANCHE 16 MAI A LUXEMBOURG. COMPTE TENU DES IMPERATIFS DE CALENDRIER MIS EN AVANT PAR CERTAINS PARTERAIRES, LA RENCONTRE DEBUTERA A 19430 AU BATIMENT JEAN MONNET AU PLATEAU DE KIRCHBERG A LUXEMBOURG. CETTE RENCONTRE AUPA POUR OBJET DE FAIRE LE POINT SUR LA SITUATION DANS LE DOSSIER DES FALKLANDS. PAR AILLEURS. LA COMMISSION A INFORME LA PRESIDENCE QU'ELLE

PAR AILLEURS, LA COMMISSION A INFORME LA PRESIDENCE QU'ELLE SOUMAITAIT, COMPTE TENU DES DERNIÈRES CONVERSATIONS QU'ELLE AVAIT EUE, PAPLE AVEC LES MINISTRES DES QUESTIONS CONCERNANT LE TRAITEMENT DU PROBLEME BUDGETAIRE BRITANNIQUE POUR 1982 ET BASE SUR L'ACCURD DU 30 MAI 1980.

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MIPT FALKLAND ISLANDS: SPEAKING NOTE

1. NEED NOT SPEAK AT LENGTH. I SSUES WELL UNDERSTOOD. SINCE LAST MEETING OF POLITICAL COMMITTE (4 MAY) FOREIGN MINISTERS HAVE DIS-CUSSED SUBJECT AT WEEKEND MEETING (8-9 MAY), EUROPEAN PARLI AMENT HAS ADOPTED RESOLUTION IN CLEAR TERMS (12 MAY) AND VARIOUS MESSAGES CIRCULATED. ALSO SEVERAL BILATERAL MEETINGS, AND FREQUENT BRIEFINGS IN LONDON, NEW YORK AND WASHINGTON.

2. PRIME MINISTER'S MESSAGE OF 11 MAY GIVES BRITISH POSITION.

3. ESSENTIAL THAT ALL THE MEASURES ADOPTED IN EARLY APRIL BE CONTINUED, IN PARTICULAR EMBARGO ON ALL IMPORTS FROM ARGENTINA (WITH CERTAIN TECHNICAL EXCEPTIONS); WHICH EXPIRES ON 17 MAY, NEEDS TO BE EXTENDED FOR ANOTHER MONTH.

4. MUCH THEREFORE DEPENDS ON PRESENT MEETING AND ON HEETINGS IN COMMUNITY FRAMEWORK WHICH ARE TO FOLLOW.

5. SAID ON 9 APRIL THAT PREFERRED BRITISH AIM WAS PEACEFUL SOLUTION AND THAT THIS COULD BE ATTAINABLE THROUGH NEGOTIATIONS BACKED BY MILITARY, ECONOMIC AND POLITICAL PRESSURE.

6. HILITARY. MISSION OF TASK FORCE IS TO REPOSESS ISLANDS BY FORCE IN NECESSARY. CANNOT GIVE DETAILS BUT PRESSURE HAS BEEN STEADILY INCREASED OVER LAST MONTH. SOUTH GEORGIA REOCCUPIED: TOTAL EXCLUSION ZONE DECLARED AND ENFORCED GARRISON EFFECTIVELY BLOCK ADED. NO KNOWLEDGE OF FUTURE EVENTS BUT NO DOUBT AS TO TO CUTCOME IF ISSUE HAS TO BE SETTLED BY FORCE OF ARMS.

T. ECCNOMIC. MEASURES OF THE TEN AND EC HAVE CONTRIBUTED TOWARDS SUBSTANTIAL WURSENING OF ALREADY SERIOUS POSITION. ALL ARGENTINE INDICATORS NEGATIVE: INFLATION, MONEY SUPPLY, TAXATION, BALANCE OF PAYMENTS, EXPORTS AND IMPORTS, RESERVES AND BANKRUPTCIES. CONFIDENCE. INTERNAL AND EXTERNAL SEVERLY SHAKEN. IN THE NATURE OF THINGS THAT EFFECTS OF ALL THIS SHOULD BE PROGRESSIVE RATHER THAN INSTANTANEOUS.

S. UNDERLINE IMPORTANCE OF EMBARGO ON ARMS SUPPLIES. EVIDENCE OF ARGENTINE CONCERN AND INTENSIVE SEARCH FOR POSSIBLE SUPPLIERS. ESSENTIAL TO BE ON WATCH FOR LOOPHOLES AND TO BLOCK THEM, EG SALES TO NOMINALLY NON-ARGENTINE BUYERS, SUPPLIES 'IN ACCORDANCE WITH PREVIOUS CONTRACTS 'ETC. WILL MAKE BILATERAL APPROACHES AS NECESSARY.

9. POLITICAL ARGENTINA MAKING EFFORTS TO OVERCOME INITIAL ISOLATIONS PROPAGANDA, MISSIONS TO VARIOUS CAPITALS, DIPLOMATIC ACTIVITY ESPECTIALLY IN NEW YORK. SOME SUCCESS, BUT LIMITED MAINLY TO LATIN AMERICA. USSR CRITICAL BUT CAUTIOUS, EAST EUROPEANS VERY RESERVED.

18. DIPLOMATIC SCENE. AT MEETING ON 4 MAY I PUT EMPHASIS ON PERUVIAN PROPOSALS WHICH SOON AFTER WERE DESCRIBED BY BELAUNDE AS 'TEM-ORARILY IN SUSPENSE'. SINCE THEN UN SECRETARY GENERAL THE FOCUS. HIS APPROACH INITIALLY PROCEDURAL, BUT NOW DEEP INTO SUBSTANCE.

COMMUNITY BRIEFINGS IN NEW YORK ON 13 AND 14 MAY.

11. ARGENTINE MILITARY STRATEGY? MUST HAVE ABANDONED HOPE OF SUCCESSFUL FAIT ACOMPLI, PROBABLY DO NOT IMAGINE THAT THEY HAVE IT IN THEIR POWERE TO PREVENT BRITISH LANDING IF WE SO WISH, AIMS NOW PERHAPS TO MAINTAIN STRONGEST POSSIBLE MILITARY POSITION, KEEPING FORCES INTACT (IE MAINLY AT A DISTANCE) AND RETAINING CONTROL OF FALKLANDS, OR PART OF THEM, OR IN WORST CASE INFLICTING MAXIMUM DAMAGE AND LOSSES IN ORDER TO BE ABLE TO CLAIM AT LEAST PARTIAL VICTORY.

12. ARGENTINE DIPLOMATIC OBJECTIVE? PROBABLY HAVE ABANDONED HOPE OF AN AGGREEMENT WHICH WOULD SIMPLY RECOGNISE ARGENTINE SOVEREIGNTY WITH EFFECT EITHER FROM NOW OR FROM SOME FIXED AND EARLY DATE.

PRESENT OBJECTIVE PERHAPS:

A) IF POSSIBLE TO SECURE AN AGREEMENT WHICH WOULD ENABLE THEM PHYSICALLY TO ESTABLISH CONTROL OF THE ISLANDS WITHIN A RELATIVE-LY BRIEF TIME.:

E) FAILING THAT, TO MANGEUVRE SO THAT NEGOTIATIONS APPEAR TO BREAK DOWN ON AN ISSUE WHERE WORLD OPINION WILL HAVE SOME SYMPATHY ARGENTINA.

13. BRITISH OBJECTIVES AS STATED IN PARLIAMENT EG ON 13 MAY.

14. NEXT 3-4 DAYS CRUCIALIHM AMBASSADORS IN WASHINGTON AND NEW YORK RECALLED FOR CONSULTATIONS. MEETINGS 16 MAY AT CHEQUERS, FOLLOWED POSSIBLY BY OTHERS LATER . I HOPE NO LESS SERIOUS PROCESS OF REFLECTION ON ARGENTINE SIDE.

15. ARGENTINE POSITION HAS OSCILLATED, REFLECTING COMPETING
PRESSURES IN BUENOS AIRES, THEIR JUDGEMENT OF MILITARY PROSPECTS
ETC — BUT ALSO REFLECTING THEIR ASSESSMENT OF WHAT IS POLITICALLY
ATTAINABLE. IT FOLLOWS THAT ANY ARGENTINE PERCEPTION OF BRITISH
WEAKNESS MAY AND PROBABLY WOULD REINFORCE HAWKISH TENDENCIES, STIFFEN
OBSTINACY AND REDUCE LIKELIHOOD OF AN AGREEMENT. CLEAR FROM
ARGENTINE LOBBYING IN NEW YORK THAT THEY AGREE WITH US ON ONE THING:
THAT ATTITUDE OF THE TEN IS CRUCIAL.

16. FAILURE TO EXTEND BAN ON IMPORTS, FOR WHATEVER REASON, WOULD SERIOUSLY DAMAGE PROSPECTS FOR PEACEFUL SETTLEMENT, WHICH HAS BEEN AND IS OBJECTIVE OF BRITAIN AND OF THE TEN.

17. I INVITE POLITICAL COMMITTEE TO CONCLUDE THAT REASONS FOR IMPOSING ECONOMIC MEASURES NOT ONLY REMAIN VALID BUT ARE STRONGLY REINFORCED BY FOREGOING CONSIDERATIONS.

JACK SOR

MNNN

AT THE END OFOF TODAYS MEETING OF THE POLITICAL COMMITTEE MCKERNAN, THE IRISH POLITICAL DIRECTOR (PLEASE PROTECT), TOLD BULLARD THAT HE HAD REASON TO BELIEVE THE IRISH POSITION WAS EVEN HARDER THAN H.M. AMBASSADOR WOULD HAVE GATHERED IN DUBLIN. HE THOUGHT THE ONLY WAY OF SHIFTING IT WOULD BE FOR THE PRIME MINISTER TO TELEPHONE HAUGHEY PERSONALLY BEFORE THE FOREIGN MINISTERS'MEETING IN LUXEMBOURG ENVISAGED FOR 16 OR 17 MAY.

JACK SON

NHNN

SENT: RECD 152130Z PD/JMR

ECFO 3/15 CO FCO GPS 200 RESTRICTED 115 MAY 72 FM UKREP BRUSSELS 151845Z MAY 82 TO IMMEDI TE FCO TELNO 1962 OF 15 MAY INFO SAVING UK DEL NATO. WREPER (AMBASSADORS): 15 MAY EC SANCTIONS AGAINST ARGENTINA 1. SINCE THE POLITICAL COMMITTEE HAD JUST AGREED TO REFER THE DECISION ON RENEWING SANCTIONS TO MINISTERS (SEE SEPARATE REPORTING TELEGRAM) THERE WAS ONLY A VERY SHORT DISCUSSION. 2. IRELAND (O'ROURKE) AND DENMARK (RIBERHOLDT) OPPOSED THE PRESIDENCY'S SUGGESTION TO CONSIDER IN DETAIL THE DRAFT REGULATION. I SAID THAT WE SHOULD AVOID EXACERBATING DIFFICULTIES AT PRESENT, AND THAT A TEXT COULD RAPIDLY BE AGREED ONCE MINISTERS HAD REACHED A DECISION. PRESIDENCY (NOTERDAEME) ACCEPTED THIS, BUT ASKED PERMANENT REPRESENTATIVES TO CONSIDER HOW LONG IT WOULD TAKE THEIR GOVERNMENTS TO INTRODUCE NATIONAL MEASURES (BY IMPLICATION, UNDER ARTICLE 224) IF THEY SHOULD BE AGREED. 2. SEE MIFT BUTLER 1.414.1

TO IMMEDIATE FOO FROM BONN TELEGRAM NUMBER 454 OF 16 MAY

INFO IMMEDIATE UKREP BRUSSELS LUXEMBOURG PARIS INFO PRIORITY WASHINGTON UKMIS NEW YORK

rufered to

SCHMIDT - MITTERRAND MEETING IN HAMBURG

1. GABLENTZ, FEDERAL CHANCELLOR'S OFFICE, HAS GIVEN US THE FOLLOWING ACCOUNT BASING HIMSELF ON HERR SCHMIDT'S HURRIED ACCOUNT OF HIS ONE HOUR TETE A TETE WITH PRESIDENT MITTERRAND AND ON HIS OWN IMPRESSIONS OF THE JOINT PRESS CONFERENCE.

#### AGRICULTURE AND THE MANDATE

2. HERR SCHMIDT AUTHORISED PRESIDENT MITTERRAND TO TELL THE PRIME MINISTER OF THEIR COMMON WISH THAT THE AGRICULTURAL PRICE SETTLEMENT SHOULD BE PUT INTO EFFECT FORTHWITH. THE BRITISH WERE WRONG TO LINK THE PRICE FIXING AND MANDATE QUESTIONS. FOR HIS PART MITTERRAND UNDERTOOK NOT TO CALL THE LUXEMBOURG COMPROMISE INTO QUESTION. THERE WAS AGREEMENT THAT FRANCE AND GERMANY SHOULD NOT MOVE BEYOND 800 MECUS. WITH THE FEDERAL CHANCELLOR ONCE AGAIN REITERATING THE IMPORTANCE OF THE 1 (ONE) PER CENT LIMIT AND OF LIMITING THE GERMAN CONTRIBUTION TO ANY COMPENSATION . AN IMPRECISE MESSAGE FROM THORN, REPORTING AN ALLEGED BRITISH PROPOSAL OF A 1000 (ONE THOUSAND) MECU COMPENSATION LEVEL, WAS RELAYED TO SCHMIDT AND MITTERRAND DURING THE IR TALKS. THEY AGREED TO REJECT THIS FIGURE.

#### FALKLANDS

- 3. THERE WAS CLEAR AGREEMENT ON THE NEED FOR SOLIDARITY WITH BRITAIN ON THE BASIS OF SCR 502. SANCTIONS INVOLVED SACRIFICES FOR BOTH FRANCE AND GERMANY, BUT IT WAS CLEAR THAT THEY WOULD BE RENEWED, THE FINAL DECISION BEING LEFT IN ACCORDANCE WITH THE LAST GERMAN CABINET DECISION, AS LATE AS POSSIBLE, PERHAPS UNTIL AFTER THE PRIME MINISTER'S MEETING WITH M MITTERRAND. THERE WAS SOME DISCUSSION OF A FRENCH ANALYSIS WHICH SUGGESTED THAT PROGRESS ON THE FALKLANDS CRISIS WOULD BE EASIER WHEN THE BRITISH HAD ESTABLISHED SOME PRESENCE IN THE ISLANDS. THE GERMANS SAW SOME THEORETICAL FORCE IN THIS IDEA, BUT DID NOT SHARE IT. THERE WAS AGREEMENT THAT, THOUGH THE FALKLANDS CRISIS MADE THIS A BAD TIME FOR ANY DISPLAY OF COMMUNITY DISUNITY, THERE WAS NO CONNEXION BETWEEN THE FALKLANDS AND THE AGRICULTURAL AND MANDATE QUESTIONS.
- 4. ADVANCE COPIES TO PS NO 10, PS, PS/PUS, BRIDGES , HANNAY, URE, FALKLANDS HNIT.

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## ADVANCE COPIES: FALKLAND ISLANDS GENERAL (37) 41...

PS PS/MR HURD PS/MR ONSLOW PS/PUS MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS LORD N G LENNOX Mr. Hannay LORD BRIDGES MR URE MR GILLMORE HD/PUSD HD/S AM D HD/DEF DEPT HD/NEWS DEPT Lead Eco(i) 3 HD/ERD HD/ECD(E) HD/UND HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK

[Passed to E.R.]
[Typists a.a.]

CABINET OFFICE

MR D HANCOCK MR D M ELLIOTT MR RHODES D.O.T.

PLUS OGDS

H M TREASURY

SIR K COUZENS
MISS J E COURT
MR J G LITTLER
MR EDWARDS

M.A.F.F.

SIR B HAYES MR G STAPLETON MR P KENT H M CUSTOMS & EXCISE

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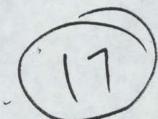
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FM BAGHDAD 160835Z MAY 82
TO PRIORITY FCO
TELEGRAM NUMBER 292 OF 16 MAY, 1982
INFO PRIORITY MOD DIC (FOR ARGENTINE ARMS SUPPLY CELL).

MY TELNO 290: ARMS DELIVERIES TO ARGENTINA.

1. SAHHAF OF MFA SUMMONED ME TODAY, 16 MAY, ON INSTRUCTIONS,
TO SAY THAT FOREIGN MINISTER HAMMADI WANTED TO RECONFIRM THE OFFICIAL
ASSURANCE GIVEN ME BY SAHHAF THE PREVIOUS DAY, TO THE EFFECT THAT
IRAQ HAD NOT, AND WOULD NOT SUPPLY EXOCET OR ANY OTHER WARLIKE
MATERIEL TO ARGENTINA, DIRECTLY OR INDIRECTLY, FOR THE DURATION OF

THE FALKLANDS EMERGENCY.

- 2. I SAID I WAS SURE YOU WOULD BE MOST GRATEFUL FOR THE FOREIGN MINISTER'S ASSURANCES.
- 3. COMMENT. I HAVE THE UNCHIVALROUS THOUGHT THAT THE IRAQIS

WILL CONNECT FORWARD THEIR GESTURE OVER EXOCET TO ANY LETHAL ITEM WE MAY INTEND TO SUPPLY TO IRAN DURING THE REMAINDER OF HOSTILITIES IN THIS REGIONAL WAR. THE SPEED OF DR HAMMADI'S RECONFIRMATION OF YESTERDAY'S CATEGORIC ASSURANCE BY SAHHAF SUGGESTS SOME TYPICALLY IRAQI INWARDNESS. WE SHALL SEE.

EGERTON

BT

SUBJET. of MASTER

RECORD OF A TELEPHONE CONVERSATION BETWEEN THE PRIME MINISTER AND THE MINISTER FOR FOREIGN AFFAIRS, ITALY, SIGNOR EMILIO COLOMBO AT 1430 HOURS ON SUNDAY 16 MAY 1982

PM Hullo. Margaret Thatcher here. Are you on your way to Luxembourg or are you there?

C: No. I am în Luxembourg,

PM Oh well, You know then really what I am ringing about. It is a very very important decision today. I think it is important, well, not only for us, it's important for the Community. And I think it's important for the rule of law in the whole of the world. I know that you have great difficulties.

C: Yes. Many difficulties.

PM Yes. Difficulties are there to be overcome to serve a greater principle and something that we must all stand by. Francis has left us a short time ago.

C: One moment Mrs. Thatcher. I have here a foreign interpreter

(Mrs. Thatcher I am here to do some interpreting if you wish).

Yes. You interpret. Can I say to Signor Colombo that the decision of the continuation of the sanctions will have to be taken today is an extremely important one, not only for us but also for the Community, and for all those who believe in upholding international law. The United States and the majority of the Third World who stood behind us in our stand against aggression and we feel it is essential at this stage to preserve Community solidarity too. The United States alone can't solve this problem and it will very much be taken in my country as a test of the solidarity of the Community.

We understand that President Schmidt and President Mitterrand have publicly come out strongly in favour of the renewal of sanctions, and we feel that if by any chance they were not to be renewed now they would divide the Community. That is exactly what the Argentines wish to achieve and to fail to renew them would of course give great strength to all of those who do not uphold international law and think you can change it by force. What I want to say to Emilio is that Francis has just left a meeting I have had at Chequers. He is on his way to Luxembourg. He will tell the Community that we are sending back our Ambassador to the United Nations with fresh instructions to continue the negotiations. negotiations are to have a chance of being successful, and that is our great wish, then they must be strengthened by the continuation of economic sanctions. And if Argentine felt that the Community were no longer behind us we should not have a hope of getting a peaceful settlement. Yes, so we mustn't weaken the pressure on Argentina now. Emilio I am especially ringing you because I know that you have a great understanding of not only the European matters but of the world matters too. And I hope that we can count on your support when this matter You know Mr. Spadolinî has always been a great friend and I hope that the Community can stay solid, in spite of your difficulties, which I understand at this moment. Now I think I should leave Signor Colombo to speak.

C

I am convinced that Mrs. Thatcher's arguments have their significance and full value. We have given our solidarity to Britain right from the start and 'sanctions as well. But I have had opposition from this, not only from the opposition parties but also within the Government after the adoption of sanctions. We have a special Italian position because there are literally millions of Argentinians of Italian origin who make their own pressure on Italian public opinion. And these pressures have passed not only from public opinion but to the field of the political parties and there are political parties which

are putting pressure on the Government on this matter. And I ought to say with great regret to Mrs. at this moment, that if I were to say yes to the renewal of sanctions, I would be risking a Government crisis in Italy. I discussed this matter at length with Mr. Spadolini yesterday and alas we arrived at this conclusion. And this is my problem and I really don't know if we can resolve it today or tomorrow. I have plenty of goodwill for my own part, but alas there is this strong political pressure from the other parties and I don't know whether we can resolve this. I will make it my business to report to Mr. Spadolini what Mrs. Thatcher has said to me and the arguments that she has used and I will repeat all these to him. And I will also mention the political pressures but I can't at this point guarantee that I will be successful. And I want to add that I fully understand the significance of everything that she has said to me.

PM

Can I just ask Signor Colombo to persist in supporting the principles. I would be grievously upset if it seemed that Italy from which we derive a lot of our law was a country that came out and supported aggression and taking territory by force. And Secondly he, who helped us so much in the Community, would understand that it would be really terrible if Italy, which is a country of the Treaty of Rome, were to cause a fundamental break and crisis in the Community over this matter. Chancellor Schmidt and President Mitterrand I understand are very firm indeed upon it and I hope that Signor Colombo's counsels will prevail with his own Government and he will feel able to support.

Emilio, do your best. You are a superlative diplomat and I have great faith in you. But a great deal depends on it and I can't emphasise that too strongly. Not only for the Falklands, but also for all other peoples who might be similarly invaded if this goes wrong. I tried to get on to Mr. Spadolini but I think he is speaking somewhere and I couldn't talk to him.

C

He is travelling somewhere because he (Signor Colombo) has not been able to speak to him either today. Could you give him some indication what are the possibilities for the negotiations and their conclusion.

PM

I think that the critical point will be reached this week in the negotiations. We had a long talk with our Ambassador this morning and he will be going back with instructions to try very very hard to get a settlement this week. If a settlement is possible then we ought to be able to get it very soon. After all, we have been trying hard for six weeks. This is the sixth lot of proposals which my Government has considered and we just feel that we have to make a tremendous effort to try to get it settled this week. We recalled our Ambassador so that we could have a much much longer discussion about these things than you can by telegram and we have been here talking about it for three and a half hours and we shall continue this afternoon. Does that help with what we are trying to do?

C

He hopes that it will help. He has done and will continue to do his absolute best and he will get in touch with Francis Pym as soon as he arrives in Luxembourg and with the other Ministers.

PM

Thank you very much Emilio. Thank you for spending so much time on the phone. I have great confidence that you will get things through.

C

Thank you. Thank you for your call and my best regards.

PM

Thank you. Thank you very much Emilio. See you again soon. Goodbye.

C

Goodbye.

SECRET Suntand / Prime minister. 2
Aque depris usa? Long Long 16 May 1982 Foreign and Commonwealth Office London S.W.1 35. College Dity delle 16582 A J Coles Esq No 10 Dear John. INTERIM AGREEMENT: FALKLAND ISLANDS I do not know if the Prime Minister would wish to see the draft instructions for Sir Anthony Parsons which reflect the decisions taken at Chequers today, together with the proposed letter to the Secretary-General confirming the exclusion of the Dependencies from the draft Agreement. I enclose these two drafts which will be despatched in the course of tomorrow morning, unless the Prime Minister has any objection. I assume that she will not think it necessary for OD(SA) to consider these collectively. I have already given copies of these drafts to Sir A Parsons for his information, so that he can be preparing his approach to the Secretary-General as he returns to New York. Any amendments, however, can be given to him on his arrival.

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6 FM FCO 161800Z MAY 82

7 to IMMEDIATE UKMIS NEW YORK-

8 TELEGRAM NUMBER

9-AND TO FLASH LUXEMBOURG (FOR SECRETARY OF STATE)

10 THTO IMMEDIATE WASHINGTON

11 INTERIM AGREEMENT: GRE BRAFT ISLANDS FOR SM A PARSONS ON THE LINES

The following confirms your instructions which were agreed

13 at Chequers on 16 May. THEY WOULD ISSUE TOMORROW MORNING, 17 MAY.

14 2. Mem: You should give to the Secretary General as soon as

15 possible the draft interim agreement contained in MIFT.

16 should tell him that it represents the absolute minimum

17 acceptable to HMG. There can be no (no) amendments to it.

18 You should formally ask the SYG to pass it to the Argentinians

19 as the final British position.

You should also give the SYG the letter in my second IFT

21 confirming that the Dependencies are excluded from the

22 Agreement.

23 4. You should tell the SYG that although the right course

24 would have been for the Argentines to implement SC Resolution 502,

25 we have been negotiating in good faith for more than five weeks

NNNN ends BLANK telegram File number Dept Drafted by (Block capitals) SIR A ACLAND Telephone number Authorised for despatch

Comcen reference

Catchword through various

PS/AND ONSCON PS/PUS MR. BULLARD MR: SIFFARD

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AR WRISHT MR. SILLHOLE

MR. MARCHET AL. UESTON

H/SAM)

Classification and Caveats Page IMMEDIATE/ SECRET FLASH 2 1 <<<< 1111 2 through various intermediaries. We are very grateful for the 3 Secretary General's latest efforts but we cannot allow matters 4 to drag on much longer. Midday New York time on Wednesday 19 5 May is therefore an absolute deadline for the Argentines' reply. 6 If not received by then, we shall have to assume rejection. 75. You will know from the discussion what points to make if 8 questioned on the various articles. On Article 6(4) however you 9 should say that we look to the SYG to devise an effective method 10 for ensuring the non-reintroduction of armed forces into the 11 Islands. This is absolutely essential from our point of view if 12 we are to accept Article 4. It presupposes a credible presence 13 in the Islands of say 150-200 men (about one company) to which 14 the United States of America must contribute a substantial 15 proportion as well as some of the necessary equipment for 16 verification (as you know I shall be putting this to Haig in the 17 context of a security guarantee). 18 6. As regards a line for the press you should say that you 19 have been engaged in intensive consultations in London and have 20 been instructed to continue the negotiations. You should 21 not (not) be drawn about the content of your instructions, nor 22 of course should you hint at any British plan or deadline. END. 23 24 PYM 25 NNNN 26 27 28 29 30 111 31 32 33 34 NNNN ends Catchword BLANK telegram

Precedence/Deskby Classification and Caveats FLASH SECRET 2C 1 ZCZC 2 GRS 3 ASS SECRET 4 VEATS SKBY 5 FCO 6 FM FCO 161835Z MAY 82 TO FLASH LUXEMBOURG ( FOR SECRETARY OF STATE) E/ADD 7 TELEGRAM NUMBER NO 8 My 3 1PTs 9 FOLLOWING IS TEXT OF LETTER TO THE SECRETARY GENERAL OF THE UN 10 11 Begins You will note from the text of the Interim Agreement which 12 I have given you on behalf of the United Kingdom that it concerns 13 quote the Falkland Islands (Islas Malvinas) hereinafter referred 14 15 to as 'the Islands' unquote. I wish to confirm the understanding of the British 16 17 Government that this description excludes the Dependencies. 18 I should be grateful if you would be good enough to 19 acknowledge receipt of this letter and its terms. 20 Ends 21 22 PYM 23 NNNN 24 25 Catchword NNNN ends BLANK telegram Dept Distribution File number PS/AL BUSLOW Drafted by (Block capitals) PS/PUS MR. BULLARD Telephone number MR SIFFARD MR WHISHT Authorised for despatch MR SILLADA Me manusy Comcen reference Time of despatch MR LESTON H/SAMD

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	12 p	preceding telegrams. Following is text of draft interim					
	13 a	agreement.					
	14 B	Begins:					
	15	Draft Interim Agreement					
	16	The Government of the Republic of Argentina and the Government					
	17 0	of the United Kingdom of Great Britain and Northern Ireland,					
	10	Responding to Security Council Resolution 502 (1982) adopted					
	19 0	on 3 April 1982 under Article 40 of the Charter of the United					
	N	Nations,					
	21	Having entered into negotiations through the good offices of the					
	22 S	Secretary-General of the United Nations for an Interim Agreement					
	C	concerning the Falkland Islands (Islas Malvinas), hereinafter					
	re	referred to as 'the Islands',					
	25	Having in mir	nd the obligatio	ns with re	gard to non-self		
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Classification and Caveats Page SECRET <<< 1 <<<< 2 governing territories set out in Article 73 of the Charter of the United Nations, the text of which is at Annex. Have agreed on the following: 5 ARTICLE 1 6 (1) No provision of this Interim Agreement shall in any way 7 prejudice the rights, claims and positions of either Party in 8 the ultimate peaceful settlement of their dispute over the 9 Islands. (2) No acts or activities taking place whilst this Interim Agree-11 ment is in force shall constitute a basis for asserting, 12 supporting or denying a claim to territorial sovereignty over 13 the Islands or create any rights of sovereignty over them. 14 ARTICLE 2 (1) With effect from a specified time, 24 hours after signature 16 of this Agreement (hereinafter referred to as time 'T'), each 17 Party undertakes to cease and thereafter to refrain from all 18 firing and other hostile actions. 19 (2) Argentina undertakes: 20 (A) To commence withdrawal of its Armed Forces from the Islands 21 with effect from time 'T'; 22 (B) To withdraw half of its Armed Forces to at least 150 23 nautical miles away from any point in the Islands by time 24 'T' plus and, 25 (C) To complete its withdrawal to at least 150 nautical miles 26 away by time 'T' plus 14 days. 27 (3) The United Kingdom undertakes: 28 (A) To commence withdrawal of its Armed Forces from the Islands 29 with effect from time 'T'; 30 (B) To withdraw half of its Armed Forces to at least 150 111 31 nautical miles away from any point in the Islands by time 11 32 'T' plus 7 days; and, 33 (C) To complete its withdrawal to at least 150 nautical miles 34 away by time 'T' plys 14 days. NNNN ends Catchword BLANK telegram ARTICLE 3

Classification and Caveats Page
SECRET 3

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ARTICLE 3

With effect from time 'T', each Party undertakes to lift the exclusion zones, warnings and similar measures which it has imposed in the region.

ARTICLE 4

On the completion of the steps for withdrawal specified in Article 2, each Party undertakes to refrain from reintroducing any Armed Forces into the Islands or within 150 nautical miles thereof.

ARTICLE 5

Each Party undertakes to lift with effect from time 'T' the economic measures it has taken against the other and to seek the lifting of similar measures taken by third parties.

ARTICLE 6

- (1) Immediately after the signature of the present Agreement,
  Argentina and the United Kingdom shall jointly sponsor a draft
  Resolution in the United Nations under the terms of which the
  Security Council would take note of the present Agreement,
  acknowledge the role conferred upon the Secretary-General of the
  United Nations therein, and authorize him to carry out the
  tasks entrusted to him therein.
- (2) Immediately after the adoption of the Resolution referred to in paragraph (1) of this Article, a United Nations Administrator, being a person acceptable to Argentina and the United Kingdom, shall be appointed by the Secretary-General and will be the officer administering the government of the Islands.
- (3) The United Nations Administrator shall have the authority under the direction of the Secretary-General to ensure the continuing administration of the government of the Islands. He shall discharge his functions in consultation with the representative institutions in the Islands which have been developed in accordance with the terms of Article 73 of the UN

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Classification and Caveats
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Charter, with the exception that one representative from the Argentine population normally resident on the Islands shall be appointed by the Administrator to each of the two institutions. The Administrator shall exercise his powers in accordance with the terms of this Agreement and in conformity with the laws and practices traditionally obtaining in the Islands.

- (4) The United Nations Administrator shall verify the withdrawal of all armed forces from the Islands, and shall devise an effective method of ensuring their non-reintroduction.
- (5) The United Nations Administrator shall have such staff as may be agreed by Argentina and the United Kingdom to be necessary for the performance of his functions under this Agreement.
- (6) Each Party may have no more than three observers in the Islands.

ARTICLE 7

Except as may be otherwise agreed between them, the Parties shall, during the currency of this Agreement, reactivate the Exchange of Notes of 5 August 1971, together with the Joint Statement on communications between the Islands and the Argentine mainland referred to therein. The Parties shall accordingly take appropriate steps to establish a special consultative committee to carry out the functions entrusted to the special consultative consultative committee referred to in the Joint Statement.

ARTICLE 8

The Parties undertake to enter into negotiations in good faith under the auspices of the Secretary-General of the United Nations for the peaceful settlement of their disputes and to seek, with a sense of urgency, the completion of these negotiations by 31 December 1982. These negotiations shall be initiated without prejudice to the rights, claims or positions of the Parties and without prejudgement of the outcome.

ARTICLE 9

This Interim Agreement shall enter into force on signature and

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MR BULLARD
SIR I SINCLAIR
MR GIFFARD
MR WRIGHT
MR ADAMS
LORD N G LENNOX
LORD BRIDGES
MR URE
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CONFIDENTIAL

FM WASHINGTON 161550Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 1780 OF 16 MAY

YOUR TELEGRAM NO 117 TO BRUSSELS: ARGENTINE NATIONAL DAY

I TOOK AN OPPORTUNITY THIS MORNING TO ASK STOESSEL INFORMALLY WHETHER HE HAD YET THOUGHT ABOUT THIS, HIS REPLY MADE IT CLEAR THAT HE HAD NO IDEA ARGENTINE NATIONAL DAY WAS COMING UP. HE SAID IT WOULD NEED TO BE CAREFULLY THOUGHT ABOUT.

2. THE AMERICANS WILL NOT WANT TO BITE THIS BULLET UNTIL THE LAST POSSIBLE MOMENT. THERE WILL BE STRONG PRESSURE FROM THE KIRKPATRICK/ ENDERS FACTION TO BEHAVE AS NORMAL (WHICH WOULD IMPLY GOOD ENDERS FACTION TO BEHAVE AS NORMAL (WHICH WOULD IMPLY GOOD

ENDERS FACTION TO BEHAVE AS NORMAL (WHICH WOULD IMPLY GOOD ATTENDANCE BY OFFICIALS AND SOME CABINET OFFICERS) ON THE GROUNDS THAT ANYTHING LESS WOULD DO FURTHER GRATUITOUS DAMAGE TO U.S./
ARGENTINE RELATIONS AND U.S. RELATIONS WITH LATIN AMERICA GENERALLY.
WITH THE PRESENT RESURGENCE OF CONCERN ON THIS SCORE, THIS PRESSURE WOULD BE LIKELY TO WIN THE DAY IF THE DECISION HAD TO BE MADE NOW.
BUT MUCH WILL DEPEND ON HOW CIRCUMSTANCES DEVELOP NEARER THE TIME.

THOMAS

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ADVANCE COPIES: FALKLAND ISLANDS GENERAL (SE) (41) PS (6) PS/NO 10 DOWNING ST (2) POR HURD PS/S OF S FOR DEFENCE PS/MR CNSLOW MR J STEWART AUSD STAFF PS/PUS · MR BULLARD PS/CHANCELLOR ) SIR I SINCLAIR BR ILETT TREASURY MR GIFFARD MR LITTLER MR WRIGHT IR ASS Evens. SIR R ARMSTRONG LORD N G LENNOX SIR M PALLISER CABINET LORD BRIDGES MR WADE-GERY OFFICE MR FULLER SAPU/DIC MR URE MR GILLMORE DIO HD/PUSD RM 8 FOR MODUK C IN C FLEET HD/S AM D HD/DEF DEPT HD/HEWS DEPT HD/ERD HD/ECD(E) HD/UED HD/PLANNING STAFF [ Passed to E.R.] MR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK [Typists aa]

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OO LUXEMBOURG

UNCLASSIFIED
FM WASHINGTON 161521Z MAY 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 1776 OF 16 MAY
INFO IMMEDIATE LUXEMBOURG
INFO PRIORITY UKMIS NEW YORK BIS NEW YORK

FALKLANDS: US PRESS OF 16 MAY.

UNDER THE HEADLINE: ARGENTINES PUT BLAME ON BRITISH FOR UN DELAY, THE NEW YORK TIMES QUOTES COSTA MENDEZ AS SAYING THAT SIR A PARSONS' FOR THE LONDON PROVES THAT QUOTE RESPONSIBILITY FOR THE DELAY OR THE PROLONGATION OF THE NEGOTIATIONS IS CERTAINLY NOT ARGENTINIA'S BUT BRITAIN'S UNQUOTE.

2. IN ANARTICLE IN THE NEW YORK TIMES WHICH APPEARS TO REFLECT

- 2. IN ANARTICLE IN THE NEW YORK TIMES WHICH APPEARS TO REFLECT UN'SECRETARIAT BRIEFING, NOSSITER WRITES: QUOTE AFTER SIX SUCCESS-ING DAYS, THE NEGOTIATIONS WERE STALLED BY A BRITISH ATTEMPT TO REVIVE AT LEAST A VESTIGE OF CONTROL OVER THE ISLANDS BY RESTORING THE FALKLANDS' LOCAL COUNCIL ... THE SECRETARY GENERAL HAD PROPOSED AND ARGENTINA HAD AGREED, THAT A NEUTRAL TEAM OF UN OFFICIALS ADMINISTER THE FALKLANDS. UNQUOTE NOSSITER ALSO SAYS THAT THE SECRETARY GENERAL BELIEVES THAT THE US ATTITUDE TO HIS EFFORTS HAS BEEN UNHELPFUL AND THAT HE WAS ANNOYED AT HAIG'S SUGGESTION THAT HE (HAIG) WAS SOMEHOW THE MOTIVE POWER BEHIND THE NEGOTIONS.
- 3. ALSO IN THE NEW YORK TIMES, APPLE WRITING FROM LONDON, CLAIMS THAT IT IS INCREASINGLY BELIEVED IN BRITISH GOVERNMENT CIRCLES THAT BRITAIN, RATHER THAN ARGENTINA IS NOW HOLDING UP AN AGREEMENT. SIR N HENDERSON'S RETURN TO LONDON IS LINKED TO BRITISH PRESS REPORTS THAT THE UNITED STATES IS INCREASING PRESSURE ON BRITAIN TO AGREE TO A SETTLEMENT.
- 4. JAMES RESTON WRITES IN THE NEW YORK TIMES THAT PRESIDENT REAGAN HAS BEEN SUGGESTING THAT WASHINGTON AND MOSCOW WORK TOGETHER TO AVOID MORE TROUBLE AROUND THE FALKLANDS AND TO PREVENT A REGIONAL CONTROVERSY INTERFERING WITH LARGER PROBLEMS. RESTON CONCLUDES THAT WHILE THE UNITED STATES COULD DECIDE THE ISSUE IN THE CRITICAL DAYS THAT ARE LEFT BY MAKING CLEAR THAT IT WOULD GIVE THE BRITISH WHATEVER MILITARY SUPPORT THEY NEED TO DEFEND THE SECURITY OF THEIR ARMADA, IN PRACTICE NOTHING MUCH WILL BE DONE AND THE ADMINISTRATION WILL SIMPLY TRUST TO LUCK THAT THE ARGENTINE GENERALS WILL COME TO THEIR SENSES.
- 5. THE WASHINGTON POST, IN A REPORT FROM BUENOS AIRES, SAYS THAT THE ABDUCTION OF FOREIGN JOURNALISTS HAS AGAIN CONFRONTED THE JUNTA WITH THE SPECTRE OF ITS OWN DARK PAST. FOR HUMAN RIGHTS GROUPS IN ARGENTINA THE DAMAGE DONE TO THE COUNTRY'S IMAGE ABROAD IS LESS SERIOUS THAN THE POSSIBILITY THAT THE ONCE FEARED SECURITY APPARATUS HAS NOT BEEN DISMANTLED.
- 6. THE NEW YORK TIMES REPORTS THAT CONSERVATIVES IN CONGRESS AND THE STATE DEPARTMENT, WHO ARGUE THAT CONTAINING COMMUNIST EXPANTIONISM IS MORE IMPORTANT THAT PRESERVING BRITISH CONTROL OVER THE FALKLANDS, ARE ALARMED AT THE DAMAGE DONE TO AMERICAN POLICY IN CENTRAL AMERICA. NOT ONLY HAS AMERICA LOST HER PROXY IN CENTRAL AMERICAN (ARGENTINA) BUT ONE OF THE ONLY OTHER COUNTRIES OF THE REGION WILLING TO SUPPORT US POLICY ON EL SALVADOR (VENEZUELA) HAS ADOPTED A RADICAL PRO-ARGENTINA STANCE. A US OFFICIAL IS QUOTED AS SAYING: QUOTE NICARAGNA HAS BEEN GIVEN A NEW LEASE OF THE

REGION WILLING TO SUPPORT US POLICY ON EL SALVADOR (VENEZUELA)

HA ADOPTED A RADICAL PRO-ARGENTINA STANCE. A US OFFICIAL IS QUOTED

AS SAYING: QUOTE NICARAGUA HAS BEEN GIVEN A NEW LEASE ON LIFE. A

FEW WEEKS AGO THE SANDINISTAS WERE ISOLATED. TODAY, WE ARE ALONE IN

THE CONTINENT UNQUOTE

THOMAS

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ZZ CANBERRA

GRS 98
UNCLASSIFIED
FM FCO 150830Z MAY 1982
TO FLASH CANBERRA
TELEGRAM NUMBER 178 OF 15 MAY '82

15 MAY .1

YOUR TELNO 233

1. FOLLOWING IS PRIME MINISTER'S REPLY TO MALCOLM FRASER'S MESSAGE:

THANK YOU SO MUCH FOR THE MESSAGE OF SUPPORT FROM THE FEDERAL COUNCIL OF THE LIBERAL PARTY OF AUSTRALIA. THE ENCOURAGEMENT AND UNDERSTANDING EXTENDED BY AUSTRALIA TO THE UNITED KINGDOM IN THE CURRENT INTERNATIONAL SITUATION IS MOST HEARTWARMING AND WE THANK YOU WARMLY FOR IT. PLEASE PASS MY THANKS AND GREETINGS TO THE LIBERAL PARTY.

BEST WISHES,
MARGARET THATCHER.

2. PLEASE ARRANGE IMMEDIATE DELIVERY.

PYM

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UNCLASSIFIED
FM FC0 150900Z/MAY
TO TELEX NR.62374

TELEGRAM NO.U/N OF 15 MAY '82

FOR MR MALCOLM FRASER.

THANK YOU SO MUCH FOR THE MESSAGE OF SUPPORT FROM THE

FEDERAL COUNCIL OF THE LIBERAL PARTY OF AUSTRALIA.

THE ENCOURAGEMENT AND UNDERSTANDING EXTENDED BY AUSTRALIA
TO THE UNITED KINGDOM IN THE CURRENT INTERNATIONAL

SITUATION IS MOST HEARTWARMING AND WE THANK YOU WARMLY FOR IT. PLEASE PASS MY THANKS AND GREETINGS TO THE LIBERAL PARTY.

BEST WISHES,

MARGARET THATCHER.

NNNN SENT 150931CD

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#### CONFIDENTIAL



#### MINISTRY OF DEFENCE

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MO 5/21

15th May 1982

M Minito

for 16h.

mil.

## FALKLAND ISLANDS - THE MEDIA

Further to my letter of 10th May, my Secretary of State has asked me to circulate for information the record of the most recent meeting which Sir Frank Cooper held with the Editors of the British press.

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

Janon, Janon

A J Coles Esq

SW/82/698 9/31/F

5 /21.

## NOTE FOR THE RECORD

# FOURTH MEETING WITH EDITORS ON THE FALKLANDS EMERGENCY

PUS held the fourth in the series of meetings with Editors to discuss media coverage of the Falklands Emergency at 6.00pm on Wednesday, 12 May. CDS was also present. A list of those Editors who attended is at Annex A.

- 2. PUS began by thanking the Editors for the restraint they had exercised over the reporting of assistance to the UK from third-party countries and for responding to his appeal the previous week that families of Service casualties should not be harrassed. At that meeting, Editors had raised a number of problems over the provision of information to the media. He had immediately arranged for this whole area to be thoroughly reviewed. Work was continuing but results so far were:
  - a. Fresh instructions had been issued to the Task Force stressing the need for rapid reporting of operational incidents. Immediate reports could not be guaranteed because of communications difficulties and the need for periods of radio silence, but there was already a great improvement overall. (CDS illustrated this by announcing at the meeting the shooting down of two Argentinian A4 aircraft 1½ hours earlier.)
  - b. Background briefings were now being provided. There had already been two for Defence Correspondents and these would continue twice weekly; briefings were also planned for correspondents from regional news organisations and, possibly, US and European correspondents.
  - c. Every avenue had been explored to try to arrange for transmission of cine-film (or Electronic News Gathering (ENG) material) direct to the UK from the Task Force. Both technically (because military satellites had narrow bandwidth) and operationally this was simply not possible. It should, however, be feasible to provide transmission by satellite of black/white still photographs. MOD had bought up the 5 sets of suitable facsimile equipment available in the UK; one was already in QE2, and 3 others were being flown immediately to Ascension Island for air-dropping to the Task Force at sea. This facility should be in operation in 7-8 days. The possibility of using MARISAT too was being urgently explored.
  - d. Pooling. There did not seem to be much enthusiasm for regular pooling of the product of correspondents in the Task Force, apart from the normal use of PA and Reuters, but arrangements had been made for special occasions (eg the Argentine material found aboard the fishing vessel Narwal).

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- e. Direct satellite communication from Ascension Island had been established, which would allow transmission of radio and ENG material to the UK. A MOD cameraman and Information Office had been sent out to produce material for the UK press.
- f. Special arrangements were being made to return quickly from Ascension the film footage aboard ships carrying Argentine prisoners of war which arrived there that evening. The material should be at Battersea Heliport by 1330Z on Thursday. British Antarctic survey personnel, and Misses Buxton and Price would follow on shortly afterwards.
- 3. In response, Editors saw a need to be able to process film at Ascension and to transmit this over the satellite link (as well as ENG material). It was suggested that British Telecom had some good ideas for improving links to Ascension. PA could make available further facsimile transmission sets which would be compatible with MARISAT. There had been problems with customs clearance of film footage arriving in the UK without the correct documentation. PUS and CDS undertook to follow up all these points immediately. [Contact has been made with British Telecom already and HM Customs have agree to allow paperwork to catch up after entry of film footage into the UK].
- 4. In answer to questions, PUS said that MOD could not allow UK correspondents to be based at Ascension Island. Very sensitive operations were mounted from there; the facilities were already undestrain; and if the UK press were allowed, we would not be able to refuse US press facilities at the Wide Awake airfield there.
- 5. One Editor complained about the delay in release on Thursday, 6 May of the news of 2 Sea Harriers being lost. PUS rebutted this, referring to the need to inform next of kin, given that there were only a few Harrier pilots with the Task Force. CDS added that, for operational reasons, he would have preferred that these losses were not announced at all, but the story had leaked and MOD had no option but to confirm it.
- 6. CDS gave further background briefing on the shooting down of the A4 aircraft and the Argentine attempts to resupply the Falklands by light aircraft and low-level air drops from Hercules. He added that Intelligence Staffs were very grateful to the BBC and ITN for providing film footage they had obtained of Argentine forces (but not shown). This had proved very valuable in, for example, showing that there were no Mirages based at Port Stanley airfield.
- 7. It was agreed that a further meeting would be held the following week.

### COMMENT

Although the Editors seemed appreciative of the efforts being made to improve the provision of information by MOD, there was still a good deal of simmering discontent and suspicion that the Government was trying to control the flow of information for other than operational reasons.

S WEBB PS/PUS

13 May 1982

4	WEXUE: - PUS EDITORS ME WEXUE: - HR-27, MOD MB	ANNEX A		
	May 12, 1982			
	TII 1750 for 1800			
	Newspaper, Agency, etc	Reporters	Photography	Other details
	BBC External Sorvices	Terry Heron	Deputy Editor	
		Allan Protheroe	1/AG	
	UCC	Peter Woon	Editor	
	Daily Mail	David Tytler	Associate Editor	
1	Daily Express	Chris Ward	Editor	
_	Daily Mirror	Peter Thompson	Teputy Editor	
1	Maily Telegraph	William Deldes	Editor	
1	Financial Times	G.D.Owen	Editor	
1	Guardian	Peter Preston	Editor	
-	ITN	David Nicholas		
-	PA	David Chipp	Managing Edit	
Carsia.	Sunday bypress	Honry Macrory	Chief Leader Wr	nor
24.0 E.	Sunday Telegraph Sunday Times	John Thompson	Editor	
- DESE	Sunday Times	Magnus Link lat	er Features Editor	
100	TRNU	1 1:1 0:31	Frank: Edilo	
100	Observer	1 - 11	Executive Editor	
	Daily Star	Brian Hitchen	CAIFOR	
	Newspaper Conference	Alex McDonald	Accomista Editor	
	Sunday People		Associate Editor	
	Routers	Larry Hodgson	Chief Correspon	(lend
	BBC Radio	Kan Dongson	Managing Go	litan
•	SUN		Deputy Editor	
	NEWS OF THE WORLD	ANTHONY SHRIMSL	10	
	THE MAIL ON SUNDAY		EXECUTIO EZ	
•	TIMES	LKE'S ELICKY		
		1		

PS/MR HURD PS/MR ONSLOW PS/PUS MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT

LORD N G L'ENNOX .

HD/PLANNING STAFF

MR ADAMS

MR URE

HD/PUSD

HD/ERD HD/ECD(E) HD/UND

HD/S AM D HD/DEF DEPT HD/MEHS DEPT

LORD BRIDGES

MR GILLMORE

IMMEDIATE

PS/NO 10 DOWNING ST PS/S OF S FOR DEFENCE MR J STEWART AUSD

(2) Hafaral G STAFF

PS/CHANCELLOR ) MR ILETT TREASURY MR LITTLER

SIR R ARMSTRONG SIR M PALLISER MR WADE-GERY MR FULLER SAPU/DIO DIO

CABINET OFFICE

NEW & FOR MODUK CIN O FLEET

[ Passed to E.R.]

MR ANTHONY WILLIAMS W60 EMERGENCY ROOM ] RESIDENT CLERK ADVANCE COPY AJE / OH CONFIDENTIAL

FM MADRID 151325Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 275 OF 15 MAY AND INFO PRIORITY MOD (DS12) AND GOVERNOR GIBRALTAR (PERSONAL)

MY TELEGRAM NUMBER 274 : FALKLANDS AND GIBRALTAR

1. THE SPANISH FOREIGN MINISTER SUMMONED ME THIS MORNING FOR A LONG TALK. I AM NOT TELEGRAPHING A FULL ACCOUNT BECAUSE OF PRESSURE ON COMMUNICATIONS. HIS PURPOSE WAS TO SIGNAL THAT WHATEVER IMPERFECTIONS WE MIGHT FIND IN THE SPANISH GOVERNMENT'S CURRENT PUBLIC POSITION MUST BE SET AGAINST STRONG PRESSURES, WHICH HE HAD PERSONALLY RESISTED, FOR SPAIN TO COME DOWN ON THE ARGENTINE SIDE. (HIS LACK OF REFERENCE TO HIS PRESENT PRIME MINISTER COULD BE SIGNIFICANT). PRESSURES EXISTED EVEN WITHIN THE GOVERNING PARTY ITSELF. PARTICULARLY FROM SUAREZ. I NATURALLY EMPHASISED STRINGLY OUR OWN POSITION, INCLUDING THE GREAT DANGER OF ALLOWING THE QUESTION OF GIBRALTAR TO BECOME ENTANGLED IN THE FALKLANDS CRISIS. PEREZ LLORCA READILY AGREED WITH THIS LAST POINT. HE EMPHASISED HIS DESIRE TO MAINTAIN OPEN THE LINES OF COMMUNICATION WITH US HE WANTED TO SEE YOU SOON.

THE EMPHASISED HIS DESTRE TO MAINTAIN OPEN THE LINES OF COMMUNICATION WITH US. HE WANTED TO SEE YOU SOON. I . SHOULD GO TO HIM DIRECT ABOUT ANY PROBLEMS. OTHER POINTS MADE BY THE MINISTER WERE AS FOLLOWS: 2. A) THE SPANISH GOVERNMENT HAD DECIDED YESTERDAY AT CABINET LEVEKL TO DENY ARMS NOT ONLY TO ARGENTINA BUT ALSO TO COUNTRIES SUCH AS PERU, PANAMA AND VENEZUELA WHICH MIGHT FORWARD EQUIPMENT TO ARGENTINA: B) THE CABINET HAD ALSO DISCUSSED THE POSSIBLE MPACT ON BRITISH TOURISM WHICH WAS SO IMPORTANT FOR SPAIN. AT PRESENT THEY THOUGHT THERE WAS NO PROBLEM. BUT WE SHOULD GO STRAIGHT TO THE FOREIGN MINISTRY AT HIGHLEVEL IF WE LEARNED OF ANY HARRASSMENT: . C) PEREZ LLORCA EXPRESSED CONCERN ABOUT POSSIBLE BRITISH NON-PARTICIPATION IN THE WORLD CUP. I SAID WE HAD CONVEYED NO GOVERNMENTAL VIEW SO FAR TO OUR TEAMS: D) HE CONTINUED TO PLAN FOR THE IMPLEMENTATION OF THE LISBON AGREEMENT ON 25 JUNE, IN THE HOPE THAT BY THEN THE FALKLANDS SITUATION WOULD HAVE BEEN CLARIFIED. THERE WOULD OF COURSE BE NEW POLITICAL PRESSURES ON BOTH SIDES. NEVERTHELESS HE WOULD START WITH YOU FROM THE SAME POINT WHERE HE HAD LEFT OFF WITH YOUR PREDECESSOR. HE DID NOT DISSENT FROM MY PERSONAL COMMENT THAT BOTH MINISTERS MIGHT NOW HAVE TO CONSIDER WHETHER A SUBSTANTIVE JOINT STATEMENT AFTER SINTRA WAS STILL NEGOTIABLE, OR WHETHER THE AIM MIGHT NOW HAVE TO BE SOMETHING LESS AMBITIOUS (PARA 3 OF YOUR TELEGRAM NUMBER 149): E) AS AN EARNEST OF GOODWILL, HE HAD INSTRUCTED THAT AN AFFIRMATIVE ANSWER SHOULD BE GIVEN TO THE TECHNICAL REQUEST FROM GIBRALTAR ABOUT IMPROVEMENT OF TELEPHONE COMMUNICATIONS. 3. I THINK THIS WAS A GENUINE ATTEMPT TO MAINTAIN THE DIALOGUE WITH US AND THUS STRENGTHEN THE MINISTER'S OWN POSITION WITHIN THE GOVERNMENT. IT WILL ALSO ENABLE PEREZ LLORCA TO SAY PUBLICLY NEXT WEEK , IF THE NEED ARISES , THAT HE HAS AGAIN URGED MODERATION ON THE PARTIES CONCERNED. FCO PASS INFO PRIORITY MOD (DS12) AND, GOVERNOR GIBRALTAR (PERSONAL) PARSONS NNNN SENT AT 151450Z JML/RJ

CONFIDENTIAL THE PRIME MINISTER'S TELEPHONE CALL TO SIGNOR SPADOLINI BACKGROUND The Italian Government faces many difficulties. The 1. Socialists in particular have come out strongly against sanctions. The Liberals too are against them and even certain factions of the Christian Democrats, witness the recent Congress, are against renewal. Spadolini is trying to hold together a fragile Coalition. The matter of sanctions has been discussed extensively in the Italian Parliament. 2. It is believed that there are about one million Italian passport holders in the Argentine and up to half of the population is of Italian origin. This considerable Italo-Argentine community clearly does not vote in Italy but nonetheless they have, through their families and connections, much influence in Italy. They do not see themselves as being in danger in Argentina and are largely in full agreement with the régime. They have much to lose tradewise. Italy, after Germany, of the Community countries has the largest trade with Argentina. Very large-scale contracts are involved. 4. Italy is naturally very anxious to minimise the possibility of bloodshed and any increases in the likelihood of this occurring is something which plays heavily on Italian sentiments. Italy, which has large connections not only with Argentina, but throughout Central and Southern America, is naturally very preoccupied with the long-term effects of a sanctions policy. CONFIDENTIAL

## POINTS TO MAKE BY THE PRIME MINISTER TO SIGNOR SPADOLINI

- 1. I well sympathise with your difficult position (particularly of the hardline taken by the Socialists). I am very grateful for all you have done so far to support me; I was particularly heartened to receive your message last month. It is important that we have been able to present to the Argentines a united Community front.
- 2. I fear that to divide the Community now which is exactly what the Argentines wish to achieve would have a disastrous effect on the negotiations at this stage. It could only lead to increased Argentine demands which themselves would only increase the possibility of more bloodshed and I know that this is something which your country naturally wishes to prevent. Likewise any process of 'stopping the clock' would have the same effect since it could only be interpreted as a sign of Community weakness. Conversely, if the Argentine ploy of division fails, it will have a marked effect on them.
- 3. President Schmidt and President Mitterrand in Hamburg have publicly come out strongly in favour of the renewal of sanctions.
- 4. The United States and the vast majority of the Third World is behind my country in our stand against aggression. It is essential at this stage, therefore, to preserve Community solidarity too. The United States alone can't solve this problem.

- 5. We were much impressed by Community solidarity when sanctions were first imposed and I would be worried about UK public opinion should a split now emerge.
- 6. The basic principles involved of combatting aggression are important to us all. We must do all we can to combat this together.

Foreign and Commonwealth Office
15 May 1982

CHECK AGAINST DELIVER

40)

SPEECH BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS AT THE SCOTTISH CONSERVATIVE PARTY CONFERENCE, 15 MAY 1982

I would like to start by paying tribute to Peter Carrington. He was undoubtedly one of our most distinguished Foreign Secretaries of this century. During his period of office he did an immeasurable amount to raise the prestige of Britain throughout the world. As the many spontaneous and unsought tributes to him from governments all over the world have made clear, he is a very great loss to Britain and to the world.

I am honoured to succeed him - although in truth that is impossible. Of course I regret the circumstances in which I took over, and a very great deal of my six weeks so far has been spent dealing with the Falkland Islands crisis and it is right that I should share some of my thoughts with you today.

But I also want to talk more generally about our foreign policy. And I want to show that foreign policy is not something that impinges on the lives of people in this country only at times of crisis. The success or otherwise of our foreign policy is of direct relevance to the everyday lives of British men and women: their hopes, their fears, their jobs and their

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futures - even of those who may seldom go abroad, and until recently have never needed to look up Buenos Aires or Port Stanley on the map. I am sure there is little need to remind this conference that developments in the world economy can have quite as great an impact on our economy as any number of actions by British Governments.

### The Falklands

The Falklands crisis has dominated the nation's thoughts since the Argentine invasion. This is right, because the principles at stake are fundamental, not only for us but for the whole free world.

The facts are clear. On 2 April the Argentine forces invaded British territory, inhabited by British people, whose ancestors have lived there for a century and a half. The invasion was a clear violation of international law, and in contravention of a call for restraint by the President of the Security Council and by the President of the United States. Immediately after the invasion, we took the matter to the Security Council. Their response was decisive: Resolution 502 which called for the cessation of hostilities, the immediate withdrawal of Argentine forces, and a diplomatic solution: That Resolution is mandatory and binding, but it has not been obeyed. Indeed since it was passed, so far from withdrawing her forces Argentina has built up those forces by a continuous process of reinforcement. They continue unlawfully to occupy the Falklands.

The Argentines: have had the effrontery to claim that they were merely seeking the end of an out-dated colonial situation. But they knew as well as we that the Islanders had made absolutely clear their wish to remain British, and to be administered by Britain. If ever there was an example of the worst form of colonialism, it was the Argentine invasion itself.

Our strategy throughout has been clear and consistent - to bring pressure to bear on Argentina, through a combination of diplomatic, economic and military pressures, to withdraw all its forces as is required by international law. We have received, and continue to receive, the strong support of our European Community partners and Norway, of Australia, New Zealand, Canada: of the United States and of the great majority of the Commonwealth, and many other members of the international community. We are grateful for that support - so willingly given. They recognise - and we are making it crystal clear to the world - that aggression cannot be allowed to succeed. If this is not clearly established, the rule of international law will be weakened, and small nations throughout the world will have cause to glance even more apprehensively at unscrupulous neighbours. Indeed in Latin America itself an Argentine success could become a precedent to justify pursuit by military means of the many unresolved territorial claims in the area.

The Government's hope throughout has been that Argentine withdrawal could be secured through negotiation. It is clearly right for the Government to seek to achieve its objectives by peaceful means, if that is possible. This is why we have made such intensive diplomatic efforts, first during Mr Haig's shuttle, then over proposals first launched by Peru and modified by the US and ourselves, and now in cooperation with the UN Secretary-General. Our negotiating position has been absolutely firm from the beginning. It has been backed by our despatch of the Task Force and our clear readiness to use it.

The purpose of negotiation is not to compromise on essential principles. It is to identify clearly those points on which we must insist, and those where there is room for flexibility to reach agreement. This is a difficult, lengthy and delicate process, and it is the process on which we have been engaged for the past six weeks. We have made and are still making every effort to achieve a negotiated settlement in accordance with our stated principles and objectives. I do not know whether it will in the end prove possible. What I do know is that if it does not, it will not be for lack of effort on this Government's part. The country expects no less of us.

Through all this lengthy process, in which we have twice faced outright Argentine rejection of proposals which have been put to them by others, our determination and our resolve to stand by our principles and to stand by the Falkland Islanders have never wavered. Talk of a sell-out is nonsense, as all those who have been close to the events of the last six weeks know. Our diplomatic and military strategies have been closely coordinated and controlled. That has been the main purpose of the meetings which the Prime Minister has held daily, if not more often, during this crisis.

We have left no doubt in anyone's mind, since the invasion and the despatch of the Task Force, that if a negotiated settlement in line with our principles and the rights of the Islanders did not prove possible, we would take whatever action might be necessary to end the illegal occupation and restore the Islanders' freedom of way of life and choice. Here too, our resolve has never wavered for an instant. We said at the beginning of this crisis that the Argentine invaders must go. We say now: they must go.

The state of the s

The UN Security Council itself, with the whole moral and diplomatic weight of the nations of the world, has and diplomatic weight of the nations of the world, has told the Argentines that they must go. We have given them every chance to comply. We continue to work for a negotiated settlement. We want no more loss of a negotiated settlement. We want no more loss of life. But it cannot be repeated too often: the choice lies with the Argentines. If they make the wrong choice, they must face the consequences. We shall not be found wanting in resolution.

/British Foreign Policy

British Foreign Policy I said earlier that one of our chief purposes in challenging the illegal Argentine aggression on the Falklands is to ensure that there is no weakening in the principle of the rule of law. These are not empty words. Observance of the rule of law is essential if we are to live in an ordered and peaceful world. And if the world is not ordered and peaceful, Britain, which depends on trade to a greater extent than any industrial nation of comparable importance, will not prosper. For this reason our foreign policy is centred on two interlocking purposes: the promotion of Britain's security and prosperity; and the maintenance and strengthening of a world order in which justice is upheld, peace is preserved and in which wealth can be created. We shall only succeed in creating the kind of world we want to live in, and secure safety and prosperity, if we join with others who share our values. /In

But I also share the concern felt by many people at the growth of armaments and in particular of nuclear armaments. A balance between East and West is indispensable, as I have just argued. But this does not mean that the answer is a leapfrogging arms race: one of the purposes of arms control negotiations is to restore stability, and thus enhance deterrence, by reducing forces to lower and balanced levels. These reductions and balanced forces - with adequate verification measures - are the guiding principles of NATO's approach to arms control.

We therefore welcome very warmly President Reagan's announcement last weekend that he had proposed to President Brezhnev that talks should begin before the end of next month aimed at significant reductions in strategic nuclear weapons and based on the principle of equality. The US proposals rightly concentrate on the most destabilising element in the superpowers' strategic arsenal, the intercontinental ballistic missiles of both sides. The Americans have proposed that warhead numbers should be reduced by at least one-third to a common ceiling, and that no more than half this residue should be land-based.

If this proposal succeeds, the next goal would be to reduce the total carrying capacity, or 'throwweight' of each side to a level below that currently held by the US. This is a bold, ambitious, but reasonable and realistic approach. To the extent that it will require the Soviet Union to make larger reductions than the US in the numbers and destructive capacity of its land-based missiles, this is a reflection of the resources she has devoted to this type of menacing system. First reactions from the Soviet Government have appeared to be negative. They have implied that the American proposal amounts to an attempt to achieve strategic superiority which is a strange perversion of logic. Parity in weapons, the clearest possible guarantee against the attainment of superiority by either side, is the central feature of the American approach. I hope that on closer examination the Soviet leadership will see this proposal for what it is - an opportunity to bring about a significantly greater strategic stability, a chance to strengthen peace.

These negotiations are between the US and the Soviet Union. But we and our other NATO allies take an active part in consultations about them. The decisions to negotiate on INF and START are, together, the clearest indication of the commitment to disarmament of the Western Alliance. They set the scene for the NATO Summit in Bonn, and for the UN Special Session on Disarmament, which both take place in June.

/The European

## The European Community

Just as NATO is vital to our security, the European Community is vital to our prosperity and political influence.

The figures tell the tale. The Community comprises

270 million people, and 350 million if its European

associates are taken into account. It takes 43% of our

exports, on which millions of jobs depend. Our access to

that market is attracting increasing investment in Britain

by the United States, Japan and others.

More than half of new Japanese investment in Europe is located in Britain, and about 30% of all American industrial investment world-wide is now coming here. That brings with it jobs and capital to expand our industries, including the high technology industries of the future - as you here in Scotland have cause to know. What could come closer than this to the day to day interests of ordinary British people?

The Labour Party's

The Labour Party's proposals for pulling Britain out of the Community are grossly irresponsible. Let no-one think that if we did leave, the other Nine would let us assume a cosy relationship with them so that we could enjoy the advantages, without any of the responsibilities, of membership. That is pure fantasy, as even Labour's socialist comrades in Europe have made quite clear.

We are currently involved in intensive negotiations with our partners to secure a solution to the problems of our contribution to the Budget - and a solution which we hope will endure. We are also dealing with the continuing need to improve the Common Agricultural Policy, as provided for in the agreement we secured on 30 May 1980. This is not just a question of removing an unfair burden on Britain - important though that is - but of establishing a sound financial basis for the healthy development of the whole Community. And as Alick Buchanan-Smith has already told you, we also remain determined to protect the vital interests of British fishermen by securing a deal on the Common Fisheries Policy.

Our membership of the European Community is also a direct help in maintaining Britain's influence in the world, so that we can enjoy a stable international environment.

We have acted together on such important matters as the Soviet occupation of Afghanistan, the situation in the Middle East and the crisis in Poland. This growing habit of cooperation

has, as I said earlier, stood us in good stead over the issue of the Falklands.

We must never forget that the enduring common interests and values which bind the nations of the Community together far outweigh those things which may from time to time divide us.

## The Commonwealth

The value of cooperation among friends is clear too

from our membership of the Commonwealth - a unique organisation
representing a quarter of the world's population and
cutting across the barriers of race and prejudice.

The declaration of Commonwealth peoples states the belief of member countries that the Commonwealth:

'Can expand human understanding among nations, assist in the elimination of discrimination based on differences of race, colour or creed, maintain and strengthen personal liberty, contribute to the enrichment of life for all, and provide a powerful influence for peace among nations'.

These are stirring principles, and we do well to ponder them.

The Commonwealth lives up to its principles. It is not just a legacy from the past, but an active and lively association of nations with a clear role to play in the world today. Our membership of it, and the good relations

we have with its member countries, increases our influence in other Councils. The existence of the Commonwealth is valuable to NATO and the Economic Community through our membership. And its real value to us and to world affairs has been clearly shown recently: the Commonwealth played a crucial role in the lead up to the independence of Zimbabwe; and Commonwealth countries and the Secretary-General of the Commonwealth Sir Sonny Ramphal continue to give us splendid support over the Falkland Islands.

## Conclusion

There is much that I have not touched on in this brief speech: the success of Peter Carrington and Christophe: Soames in bringing Zimbabwe to independence; our effort: now, with four of our Allies, to do the same for Namibia; our determination, with our partners, to encourage progress towards a comprehensive settlement in the Middle East; the tensions in .Central America; and our efforts to enter into a dialogue with other developed and developing countries to build upon some of the ideas contained in the Brandt Report. In all of these we are guided by the same principle that guides us in the Falklands crisis: the need to uphold freedom and the rule of law. Only if that is accepted will we and other nations live in peace and prosper. And it is just the same within Britain. Observance of the rule of law and the maintenance of our democrat institutions are essential for our individual liberty and prosperity. Freedom under the law - that is the theme. British foreign policy stems from the values of British society. It is not divorced or separate from them but an integral part of them. In carrying out both foreign and domestic policy, the Government is determined to promote these values. It is in the interests of all of us that we should succeed.

# DICTATED OVER THE TELEPHONE AT 1410 BY DEREK PIPER (MOD) 15 5 82

As part of their continuing task of enforcing the total exclusion zone, Sea Harriers from the task force yesterday attacked Port Stanley airfield and associated military installations.

All aircraft returned safely.

Last night a raid was carried out by British forces on military installations and aircraft on an air strip on Pebble Island in the North of West Falklands. A number of aircraft on the ground and a large ammunition dump were destroyed. The forces concerned have, as planned, now rejoined the task force. All returned safely with only two minor casualties.

I must emphasise that this was a raid not a major landing on the Falkland Islands. It was a limited military action designed and executed as part of the task force's continuing role in enforcing the total exclusion zone.

Mr Fearn South America Department PS/Mr Onslow
PS/PUS
Mr Bullard
Mr Giffard
Mr Wright
Mr Gillmore
Mr Hannay
Mr Goodison
Mr Weston, Defence Department
Mr Gladstone, WED
Emergency Unit
ECD(E)
H M Ambassador, Paris

SUMMARY RECORD OF THE SECRETARY OF STATE'S MEETING WITH M CHEYSSON, 14 MAY: FALKLAND ISLANDS

- 1. At his meeting with the French Foreign Minister at the FCO on 14 May, the Secretary of State brought M Cheysson up to date on the negotiations. There had been some Argentine movement on sovereignty, but there were contradictions in what was being said in New York and Buenos Aires. This dictates caution. Sovereignty could not be pre-judged. He speculated that the talks might reach a conclusive point next week. Meanwhile we were maintaining the TEZ. Every military option remained open. Economic measures remained a vital part of the long-term pressure. (Mr Hannay has recorded separately by telegram the discussion on EC measures.)
- M Cheysson thanked the Secretary of State for the information received in New York. He showed particular interest in the sovereignty discussions. Although the UK could not accept anything which prejudged the issue, we could not prevent the Argentines stating their objective. The Secretary of State stressed importance the UK attached to the views of the Islanders both on sovereignty and over the interim administration. M Cheysson wondered whether the junta were capable of taking the crucial decision. about withdrawal, the Secretary of State said he could agree to a stand-off by both sides, but the time-table would have 'to be fixed in advance. Asked about the place of the Dependencies in the negotiations, the Secretary of State said that this point had not been settled, but we had made clear our wish that the Dependencies should be excluded. M Cheysson thought Soviet support had been relatively minor. The Secretary of State agreed, and said there was no evidence available of Soviet military support. But they were likely to want to help, despite the risks involved for both sides.

- 3. The Secretary of State assumed that Argentina was seeking military supplies through other Latin American countries. Mr Fall explained that we had taken steps to scrutinise all sales to the area, and certain administrative measures were open to us to stop or delay military goods which might find their way to Argentina. But there was no formal ban on sales to Latin America as a whole. M Cheysson strongly urged the Secretary of State to consider discussing informally with our European partners whether they might adopt a similar approach on arms sales to the area.
- 4. The Secretary of State concluded with warm thanks for France's consistent support. (His personal desire to be helpful was apparent throughout the discussion.)
- 5. I am recording separately a point about French arms supplies.

J R Young

Western European Department

15 May 1982

in STA of hundred species Suckas ? No. 10 Duty Officer cc: PS PS/PUS SPD MESSAGE OF SUPPORT FROM MR MALCOLM FRASER (Turrage) 1. I attach a self-explanatory telegram from the Acting High Commissioner in Canberra. He recommends that a response by the Prime Minister to Mr Fraser's message be sent in time for Mr Fraser to relay the message to the Liberal Party's Federal Council at their dinner which begins at 11.00 hrs our time today. 2. If the Prime Minister is agreeable to a message being sent, it would be helpful to have the text by 0930 to ensure its arrival on time. A. J. Growson 15 May 1982 M W Growcott Emergency Unit

ADVANCE COPIES: FALKLAND ISLANDS GENERAL

PS PS/MR HURD ADVANCE COPY PS/NY ONSLOW PS/PUL MR BULLARD SIR I SINCLAIR MR GIFFAPD MR WRIGHT MR ADAMS LORD N G LENNOX . LORD BRIDGES MR URE MR GILLMORE HD/PUSD HD/S ALL D HD/DEF DEPT HD/HEHS DEPT HD/ERD HD/ECD(E) HD/UND HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 ELERGENCY ROOM RESIDENT CLERK

UNCLASSIFIED

FM CANBERRA 150155Z MAY 82

TO FLASH FCO

TELEGRAM NUMBER 233 OF 15 MAY

FOLLOWING FOR EMERGENCY UNIT

MY TELEPHONE CONVERSATION WITH MICHAEL GROWCOTT

1. I HAVE BEEN ASKED TO PASS THE FOLLOWING MESSAGE TO MRS THATCHER FROM MR FRASER

QUOTE THE LIBERAL PARTY'S FEDERAL COUNCIL, MEETING IN CANBERRA
THIS WEEKEND, ASKED ME TO EXTEND A WARM MESSAGE OF SUPPORT AND
RESPECT.

THE COUNCIL, ATTENDED BY REPRESENTATIVES FROM ALL PARTS OF AUSTRALIA, EXPRESSED ITS ADMIRATION OF YOUR COURAGE IN THE FACE OF CURRENT CHALLENGES TO INTERNATIONAL ORDER.

FACE OF CURRENT CHALLENGES TO INTERNATIONAL ORDER. THE LIBERAL PARTY OF AUSTRALIA RESPECTS AND SALUTES YOU. KIND REGARDS MALCOLM FRASER UNQUOTE. 2. MR FRASER IS HAPPY FOR THIS MESSAGE TO BE MADE PUBLIC. IN HIS KEYNOTE ADDRESS TO THE COUNCIL TWO HOURS AGO (WITH THE MEDIA PRESENT) HE SAID, TO VERY WARM SPONTANEOUS APPLAUSE, THAT HE WAS SURE THE COUNCIL WOULD WISH TO CONVEY TO MRS THATCHER QUOTE A MESSAGE OF GOOD WISHES AND COURAGE UNQUOTE. 3. MR FRASER LEAVES FOR THE AIRPORT TO FLY TO THE UNITED STATES IMMEDIATELY AFTER THE FEDERAL COUNCIL DINNER WHICH BEGINS AT ELEVEN O'CLOCK YOUR TIME THIS MORNING SATURDAY 15 MAY. 4. THE DINNER, (ADDRESSED BY MR WHITELAW AS GUEST OF HONOUR TWO YEARS AGO) REPRESENTS A SPLENDID OPPORTUNITY FOR MRS THATCHER TO MAKE KNOWN TO A CENTRALLY IMPORTANT AUSTRALIAN AUDIENCE HOW MUCH IN RECENT WEEKS SHE HAS VALUED, AND BEEN SUSTAINED BY, THE SUPPORT OF THE AUSTRALIAN GOVERNMENT AND HOW HEARTENED SHE IS BY THIS MOST THOUGHTFUL MESSAGE FROM THE LIBERAL PARTY FEDERAL COUNCIL. A REPLY TO THE MESSAGE, SO SWIFTLY CONVEYED, AND READ OUT TO THE DINNER WOULD HAVE A SPECIAL IMPACT AND WOULD MUCH GRATIFY MR FRASER HIMSELF AFTER THE PERSONAL ATTENTION HE HAS DEVOTED TO ENSURING FULL-HEARTED AUSTRALIAN SUPPORT FOR THE PRIME MINISTER'S HANDLING OF THE FALKLANDS ISSUE. 5. YOU WILL NOTE THAT HIS MESSAGE DOES NOT MENTION THE FALKLANDS SPECIFICALLY. NOR PERHAPS SHOULD MRS THATCHER'S REPLY. THE MEANING OF QUOTE CURRENT CHALLENGES TO INTERNATIONAL ORDER UNQUOTE REQUIRES NO ELABORATION AND INDEED SUGGESTS HELPFULLY THE WIDER ISSUES AT STAKE. 6. I RECOMMEND A FLASH TELEX TO MR MALCOLM FRASER AT AUSTRALIAN TELEX NUMBER 62374 (THE HOTEL WHERE THE COUNCIL DINNER IS TAKING PLACE) WITH, AS DOUBLE INSURANCE, A FLASH UNCLASSIFIED TELEGRAM TO THE HIGH COMMISSION FOR IMMEDIATE DELIVERY. 7. I TAKE IT THAT THE PRIME MINISTER WOULD BE CONTENT FOR ANY REPLY TO BE MADE PUBLIC.



THE PRIME MINISTER'S TELEPHONE CALL TO SIGNOR SPADOLINI

### BACKGROUND

- 1. The Italian Government faces many difficulties. The Socialists in particular have come out strongly against sanctions. The Liberals too are against them and even certain factions of the Christian Democrats, witness the recent Congress, are against renewal. Spadolini is trying to hold together a fragile Coalition. The matter of sanctions has been discussed extensively in the Italian Parliament.
- 2. It is believed that there are about one million Italian passport holders in the Argentine and up to half of the population is of Italian origin. This considerable Italo-Argentine community clearly does not vote in Italy but nonetheless they have, through their families and connections, much influence in Italy. They do not see themselves as being in danger in Argentina and are largely in full agreement with the régime. They have much to lose tradewise.
- 3. Italy, after Germany, of the Community countries has the largest trade with Argentina. Very large-scale contracts are involved.
- 4. Italy is naturally very anxious to minimise the possibility of bloodshed and any increases in the likelihood of this occurring is something which plays heavily on Italian sentiments.
- 5. Italy, which has large connections not only with Argentina, but throughout Central and Southern America, is naturally very preoccupied with the long-term effects of a sanctions policy.

## POINTS TO MAKE BY THE PRIME MINISTER TO SIGNOR SPADOLINI

- 1. I well sympathise with your difficult position (particularly of the hardline taken by the Socialists). I am very grateful for all you have done so far to support me; I was particularly heartened to receive your message last month. It is important that we have been able to present to the Argentines a united Community front.
- 2. I fear that to divide the Community now which is exactly what the Argentines wish to achieve would have a disastrous effect on the negotiations at this stage. It could only lead to increased Argentine demands which themselves would only increase the possibility of more bloodshed and I know that this is something which your country naturally wishes to prevent. Likewise any process of 'stopping the clock' would have the same effect since it could only be interpreted as a sign of Community weakness. Conversely, if the Argentine ploy of division fails, it will have a marked effect on them.
- 3. President Schmidt and President Mitterrand in Hamburg have publicly come out strongly in favour of the renewal of sanctions.
- 4. The United States and the vast majority of the Third World is behind my country in our stand against aggression. It is essential at this stage, therefore, to preserve Community solidarity too. The United States alone can't solve this problem.

- 2 -

- 5. We were much impressed by Community solidarity when sanctions were first imposed and I would be worried about UK public opinion should a split now emerge.
- 6. The basic principles involved of combatting aggression are important to us all. We must do all we can to combat this together.

Foreign and Commonwealth Office

15 May 1982

OO BRASILIA DESKBY 151600Z

GRS 127

RESTRICTED

DESKBY 151600Z TO BRASILIA AND RIO DE JANEIRO

FM FCO 151100Z MAY 82

TO IMMEDIATE BRASILIA

TELEGRAM NUMBER 126 OF 15 MAY

INFO IMMEDIATE RIO DE JANEIRO, MODUK DS5



## HMS HERALD

- 1. ABOVE IS AN AMBULANCE SHIP WITH THE TASK FORCE. A CREW MEMBER HAS BEEN SERIOUSLY INJURED IN AN ACCIDENT ON BOARD AND NEEDS EARLIEST REPATRIATION TO UK.
- 2. SHIP WOULD LIKE TO DIVERT TO RIO DE JANEIRO, ETA 172200Z. CREW MEMBER WOULD BE PICKED UP AT RIO AS SOON AS POSSIBLE THERE-AFTER BY RAF VC10.
- 3. GRATEFUL IF YOU COULD ARRANGE AS SOON AS POSSIBLE CLEARANCE WITH BRAZILIAN AUTHORITIES AND FOR IMMEDIATE REPLY, WITH COPY TO MODUK DS5. DETAILS OF VC10 WILL BE SENT AS SOON AS AVAILABLE, BUT WE ASSUME THAT THEIR ABSENCE AT THIS STAGE WOULD NOT PREVENT IN PRINCIPLE AGREEMENT.

PYM

FALKLAND ISLAND GENERAL

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FALKLAND ISLANDS

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# FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION) : 0730, 15 MAY 1982

UN

(UKMIS New York telno.752)

# Sir A Parsons' Tactics : 14 May

1. The Secretary-General agreed to delay presenting his paper until after Sir A Parsons had returned from consultations in the UK. He also agreed that it would be most helpful if the informal meeting of the Security Council were to be short and uncontentious. He would lobby to this end.

(UKMIS New York telno.752)

# Secretary-General/Argentina

The Secretary-General informed Sir A Parsons that he had pressed the Argentines hard on the question of Islander participation in the Interim Administration. He had heard, informally, that the Argentines might give way on this point. He would confirm this to Sir A Parsons in London on 15 May.

(UKMIS New York telno.754)

# Informal Consultations of Security Council

3. With the exception of an unhelpful intervention from Spain, the meeting of the Security Council passed without mishap. The Spaniards were concerned that a ceasefire should be maintained during the Secretary-General's negotiations. It is, however, Sir A Parsons' judgement that should the Secretary-General's efforts fail, the Council would support a ceasefire resolution.

(UKMIS New York telno.755

## EC Briefing

The Argentines have been lobbying Members of the Ten in New York, claiming that the UK had been delaying the Secretary-General's negotiations. Sir A Parsons countered these allegations and underlined the need for the Community to extend its sanctions.

(UKMIS New York telno.753)

# Draft Interim Agreement

5. Sir A Parsons has requested further guidance on a number of points in the existing draft. In particular, he has proposed wording on Article 8 concerning the entry into force and continuation of the Agreement.

# Secretary-General: Timing

telno.750)

(UKMIS New York 6. Despite press reports to the contrary, the Secretary-General has not imposed a 36 hour deadline for responses from the UK and Argentina. He has expressed the hope of achieving a successful negotiation shortly. The tenor of his remarks was optimistic.

US

(Washington telno.1757)

# Haig's Views on Current Situation and Negotiating Tactics

7. At a meeting at the State Department, Sir N Henderson was told that Mr Haig had telephoned from Ankara expressing concern over the President's call to the Prime Minister of

13 May. He did not believe that we were being intransigent and he thought that the Prime Minister had settled any doubts which President Reagan may have had on this score. Mr Haig had made the following points:-

- (a) we should ensure that we were not responsible (or could be held to be responsible) for any break down in the Secretary-General's negotiatins;
- (b) the US would help verify the withdrawal of forces;
- (c) the discussions should concentrate on the Falkland Islands and not the Dependencies;
- (d) Haig recommended the US/Peruvian text concerning consultation with Islanders;
- (e) language on freedom of movement, preferably using a neutral formula, might be incorporated in a side letter rather than in the main text of the Agreement.

Sir N Henderson underlined our need for a guarantee that Argentina would not order the UN out at the end of the year and reoccupy the Islands. The involvement of the US in the Contact Group envisaged under the US/Peruvian plan had provided such a guarantee. The State Department doubted, however, whether the US would be acceptable under a UN plan because of its super power status.

G (Washington telno.1756)

# US/Argentina

8. The State Department has passed to the Embassy a confidential record of a conversation with the Argentine Ambassador to the US. The Ambassador was anxious to emphasise to the Americans that there had been a definite movement in the Argentine position whereby the sovereignty issue has been deliberately de-linked from the negotiations in the UN. The Argentine Ambassador suggested that it was now for the UK to show flexibility. He went on to insist that Argentina had been observing a ceasefire for some time and claimed that continued British action would jeopardise any chance of a peaceful settlement.

H (Washington telno.1773)

#### General Walters' Visit to Buenos Aires

9. General Walters telephoned Sir N Henderson on his return to Washington. He was distressed that his remarks in Argentina had caused offence since he was 'a great admirer of the Prime Minister'. His aim was to limit the damage to American relations with Latin America resulting from US support for the UK but he found the Argentine Junta extremely difficult. The State Department subsequently gave the Embassy a more detailed account of the visit. The main points were Galtieri's statement that there were strong anti-American feelings in Argentina as a result of US actions. Galtieri also claimed that the British were spinning-out negotiations indefinitely. He would not, however, seek help from the Soviet Union if the struggle were prolonged. On military questions, members of the Junta accused the US of providing intelligence to the British Task Force. Walters denied this.

I (Washington telno.1762)

#### US Senate Resolution

10. An attempt by Senator Stevens to table a resolution calling on the British not to attack the Argentine mainland has been averted, as a result of conversations between Sir N Henderson, Judge Clark and Senator Percy.

J (Washington telno.1759)

### Brazil

11. The State Department report that President Figueiredo now thought that Brazil could no longer play a helpful rôle in the dispute. Both sides were too far apart.

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(FCO telno.170
to UKMIS Geneva) 12.
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(MOD telno. equil
141930Z) appr

## Argentina

12. Following information that the Argentines may be employing the hospital ship 'Bahia Paraiso' to carry food and possibly equipment to troops on the Falkland Islands, the FCO have approached the ICRC to ask whether one of their representatives could remain aboard the vessel and inspect its cargo. MOD have sent instructions to the Task Force on action to be taken should the vessel be sighted within the TEZ.

M (Caracas telno.167)

### Venezuela

13. To demonstrate its solidarity with Argentina, the Venezuelan Government are sending a mission to European capitals between 15-29 May.

#### COMMENT

- 14. Sir A Parsons' game plan seems to have succeeded in winning time over the weekend. Perez de Cuellar emerges in a good light from these latest exchanges. Weekend meetings with EC partners should enable us to judge the effect of Argentine lobbying against a renewal of sanctions, with a chance that this will have proved counter-productive. We will also have an opportunity to discuss the implications of the Venezuelan mission to European capitals in the second half of May.
- 15. The return of Sir A Parsons and Sir N Henderson to London may encourage credence in Reuters reports of publication of final proposals by the UN Secretary-General within 36 hours. We are ready to correct this impression if necessary.
- 16. Sir N Henderson will be able to shed light on the background to the President's telephone call to the Prime Minister. Mr Haig continues to give very positive support, but there remains nervousness in Washington about potential damage to US/Latin American relations.

A J Payne Emergency Unit

15 May 1982

FALKLANDS DAILY SITREPS: SUBMISSION FOLDERS

There is a serious shortage of submission folders and dividers. Would recipients of the daily Sitrep please return folders and dividers to the Emergency Unit (FCO Downing Street West, Room 117A) as soon as possible after use?

14 May 1982

KYFC 015/14 ZZ F C GRS 700 14 MAY 1982 CONFIDENTIAL FH UKMIS NEW YORK 141930Z MAY 82 TO FLASH FCO 11 12 1 TELEGRAM NUMBER 752 OF 14 MAY. 10 INFO FLASH WASHINGTON. MY TELS NO'S 748 AND 749: FALKLANDS. 1. FOLLOWING MY TELEPHONE CONVERSATIONS WITH THE PUS THIS MORNING (14 MAY) I SAW THE SECRETARY GENERAL. I SPOKE WITH CONSIDERABLE VIGOUR AND EMOTION. I EXPLAINED THAT I HAD BEEN CALLED BACK FOR URGENT CONSULTATIONS AT THE HIGHEST LEVEL. I WOULD BE BACK IN NEW YORK ON MONDAY MORNING. THERE WAS NO QUESTION OF THESE CONSULT-ATIONS BEING COMPLETED BEFORE THEN I.E. ENABLING ME TO GET BACK ON SUNDAY. I URGED HIM NOT TO PRESENT HIS PAPER UNTIL HE HAD SEEN ME ON MY RETURN. IT WAS VITAL THAT MY MINISTERS SHOULD BE ABLE TO DISCUSS THE OUTSTANDING PROBLEMS WITHOUT FURTHER PREJUDICE FROM ANY SIDE. I URGED HIM TO CONVINCE ROS THAT WE WERE NOT PLAYING GAMES, THAT MY RETURN TO LONDON WAS NOT A PLOY DESIGNED TO BUY TIME, AND THAT IT WAS IN EVERYONE'S INTEREST TO SIT TIGHT AND AWAIT MY RETURN. . 2. I ADDED THAT I WAS WORRIED ABOUT THE SECURITY COUNCIL THIS AFTERNOON. ATTEMPTS MIGHT BE MADE TO PERSUADE ME TO AGCEPT A PRESIDENTIAL STATEMENT CALLING FOR MILITARY RESTRAINT OR SOMETHING OF THE KIND. AS HE KNEW, I WOULD HAVE TO REFUSE THIS FLATLY. SUCH AN ATTEMPT MIGHT CONCEAL A STRATEGY TO FORCE US IMMEDIATELY INTO OPEN COUNCIL EITHER THIS EVENING (UNLIKELY) OR TOMORROW (SATURDAY). IF THIS HAPPENED, I WOULD NOT RETURN TO LONDON AND MY GOVERNMENT WOULD HAVE TO TURN ITS ATTENTION TO DEAL WITH THE SITUATION IN THE SECURITY COUNCIL. HIS INITIATIVE WOULD ALMOST CERTAINLY COLLAPSE AND WE WOULD NEVER KNOW IF IT WOULD HAVE SUCCEEDED. HE AND EVERYONE

3. PEREZ DE CUELLAR RESPONDED ADMIRABLY TO THIS ORATION. HE SAID
THAT HE WOULD NOT THINK OF PROPUDING HIS PARER UNTIL AFTER HE HAZ
LISCUSSED THE SITUATION WITH ME ON MY RETURN. HE ENTIRELY UNDERSTOOD
THE MEED TO HOLD EVERYTHING OVER THE WEEKEND. HE WOULD SEE ROS
PRINATELY AND FELT SURE THAT HE COULD CONVINCE HIM TO DO THE SAME.

ELSE CONCERNED WOULD HAVE TO LIVE WITH THIS THOUGHT FOR THE REST

OF THEIR LIVES.

THAT HE WOULD NOT THINK OF PRODUCING HIS PAPER UNTIL AFTER HE HE DISCUSSED THE SITUATION WITH ME ON MY RETURN. HE ENTIRELY UNDERSTOOD THE NEED TO HOLD EVERYTHING OVER THE WEEKEND. HE WOULD SEE ROS PRIVATELY AND FELT SURE THAT HE COULD CONVINCE HIM TO DO THE SAME. HE WOULD TALK TO THE PRESIDENT OF THE SECURITY COUNCIL AND TO THE DO-GOODERS AND TROUBLE MAKERS TO TRY TO ENSURE THAT THIS AFTERNOON'S DISCUSSION WOULD BE SHORT AND UNCONTENTIOUS. HE FULLY ACCEPTED ALL MY POINTS.

4. HE WENT ON TO SAY THAT HE HAD GIVEN ROS A HARD TIME YESTERDAY ON THE QUESTION OF ISLANDER PARTICIPATION IN THE INTERIM ADMINIST-RATION. HE HAD TOLD HIM THAT IT WAS INCONCEIVABLE THAT ANY DEMOCRATIC COUNTRY COULD ACCEPT THAT PEOPLE SHOULD BE ROBBED OF THEIR DEMOCRATIC RIGHTS, AND THAT THERE COULD BE PARITY OF REPRESENTATION ON BEHALF OF NEARLY 2,800 PEOPLE ON THE ONE HAND AND ABOUT 30 ON THE OTHER. HE THOUGHT IT POSSIBLE THAT THE BRITISH MIGHT ACCEPT ONE ARGENTINE REPRESENTATIVE OF THEIR BUSINESS COMMUNITY BEING INCLUDED IN WHATEVER STRUCTURE WAS AGREED. ROS HAD TAKEN THIS WELL. PEREZ DE CUELLAR HAD THEREAFTER RECEIVED A TELEPHONE CALL FROM A LATIN AMERICAN FRIEND OF HIS WHO WAS VERY CLOSE TO THE ARGENTINE DELEGATION. THIS PERSON OBVIOUSLY KNEW EXACTLY WHAT WAS GOING ON. HE HAD TOLD PEREZ DE CUELLAR THAT HE WAS SURE THAT ARGETINA WOULD SEE REASON ON THIS POINT.

5. PEREZ DE CUELLAR SAID THAT HE MIGHT HAVE A MORE DEFINITIVE

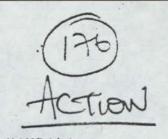
5. PEREZ DE CUELLAR SAID THAT HE MIGHT HAVE A MORE DEFINITIVE MESSAGE FOR ME ON THIS QUESTION BEFORE I LEFT FOR THE AIRPORT TONIGHT. IF NOT, HE MIGHT TELEPHONE ME AT MY LONDON HOUSE TOMCKROW (SATURDAY) MORNING.

6. SO FAR SO GOOD. I WILL REPORT THE SECURITY COUNCIL PROCEEDINGS BEFORE LEAVING FOR THE AIRPORT.

PARSONS

HNNN

CONFIDENTIAL FM UKMIS NEW YORK 142310Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 754 OF 14 MAY 1982 NFO IMMEDIATE WASHINGTON. INFO PRICRITY PARIS, MADRID, DUBLIN, ACCRA, KINSHASA, KAMPALA, TOKYO, AMMAN, MOSCOW, WARSAW, PANAMA CITY, GEORGETOWN, PEKING.



MY TELNO 752: FALKLANDS.

- 1. THIS AFTERNOON'S (14 MAY) INFORMAL CONSULTATIONS OF THE SECURITY COUNCIL PASSED WITHOUT MISHAP. PEREZ DE CUELLAR WAS AS GOOD AS HIS WORD AND SAW A NUMBER OF DO-GOODERS AND TROUBLEMAKERS INDIVIDUALLY BEFORE THE MEETING IN ORDER TO MAKE IT QUITE CLEAR THAT HE TOO WANTED THE MEETING TO PASS AS UNEVENTFULLY AS POSSIBLE.
- 2. PEREZ DE CUELLAR GAVE A BRIEF ORAL REPORT. THE CURRENT CRISIS IN THE SOUTH ATLANTIC REMAINED A MAJOR PRECECUPATION, NOT ONLY FOR THE UN BUT FOR THE WHOLE WORLD. HE HAD RECEIVED MANY MESSAGES FROM WORLD POLITICAL AND RELIGIOUS LEADERS AND WAS GETTING A VERY LARGE POST-BAG. THIS SHOWED HOW MUCH HOPE AND FAITH WAS PLACED IN THE UN. ON 2 MAY HE HAD GIVEN YOU AND THE ARGENTINES CERTAIN IDEAS FOR AN AGREEMENT CONSISTENT WITH SCR 502. BOTH PARTIES HAD ACCEPTED HIS IDEAS AS A BASIS, BUT HAD RAISED QUESTIONS WHICH REQUIRED FURTHER CLARIFICATION. SOME OF THESE RELATED TO THE DETAILS OF WITHDRAWAL, THE DIPLOMATIC NEGOTIATIONS ETC. SUBSTANTIAL PROGRESS HAD BEEN MADE. A BROAD FRAMEWORK OF AGREEMENT WAS TAKING SHAPE, COVERING CEASEFIRE, MUTUAL WITHDRAWAL, AN INTERIM ADMINIST-RATION AND NEGOTIATIONS UNDER THE AUSPICES OF THE SECRETARY-GENERAL. THERE WOULD BE AN IMPORTANT ROLE FOR THE UN, SUBJECT TO THE APPROVAL OF THE SECURITY COUNCIL. THE ATTITUDE OF BOTH PARTIES HAD BEEN SERIOUS, REFLECTING THEIR SHARED INTEREST IN REACHING AGREEMENT. THERE REMAINED, HOWEVER, DIFFERENCES WHICH WERE PROVING DIFFICULT TO BRIDGE. HE WOULD GIVE NO DETAILS. BUT A CRITICAL MOMENT HAD BEEN REACHED. AN ENDLESS EXERCISE WOULD NOT BE PRODUCTIVE: TIME WAS NOT ON THE SIDE OF PEACE. THERE WOULD HAVE TO BE ADDITIONAL MOVEMENT QUITE SCON OR WHAT HAD BEEN ACHIEVED WOULD BE IN JEOPARDY. HE WAS IN DAILY TOUCH WITH THE PRESIDENT OF THE SECURITY COUNCIL AND WOULD CONTINUE TO REPORT FURTHER AS DEVELOPMENTS WARRANTED.
- 3. I SPOKE NEXT. PAYING TRIBUTE TO PEREZ DE CUELLAR FOR HIS EFFORTS," CONFIRMING THAT WE WERE NEGOTIATING URGENTLY AND IN GOOD FAITH, INTO INFORMING THE COUNCIL OF MY RECALL TO LONDON FOR CONSULTATIONS.

<sup>4.</sup> ALL THE OTHER MEMBERS OF THE COUNCIL, APART FROM GUYANA AND

MAS NOT UN THE SIDE OF PEACE. THERE WOULD HAVE TO BE ADDITIONAL MOVEMENT QUITE SOON OR WHAT HAD BEEN ACHIEVED WOULD BE IN JEOPARDY. HE WAS IN DAILY TOUCH WITH THE PRESIDENT OF THE SECURITY COUNCIL AND WOULD CONTINUE TO REPORT FURTHER AS DEVELOPMENTS WARRANTED.

- 3. I SPOKE NEXT, PAYING TRIBUTE TO PEREZ DE CUELLAR FOR HIS EFFORTS, CONFIRMING THAT WE WERE NEGOTIATING URGENTLY AND IN GOOD FAITH, AND INFORMING THE COUNCIL OF MY RECALL TO LONDON FOR CONSULTATIONS.
  - 4. ALL THE OTHER MEMBERS OF THE COUNCIL, APART FROM GUYANA AND UGANDA, THEN SPOKE IN SUPPORT OF THE SECRETARY-GENERAL. ALL EMPHASIZED THEIR CONCERN AND THEIR HOPE FOR EARLY RESULTS. DOOR (IRELAND) WAS HIS USUAL SENTENTIOUS SELF BUT THIS TIME HIS CLAPTRAP WAS HARMLESS. THE ONLY UNPLEASANTNESS CAME FROM DE PINIES (SPAIN) WHO ASKED ME TO CONVEY TO YOU THE FEELING IN THE COUNCIL (WHICH IN FACT NOONE ELSE EXPRESSED, EXCEPT THE USSR) THAT A CEASEFIRE SHOULD BE MAINTAINED DURING THE SECRETARY-GENERAL'S NEGOTIATIONS. HE DID NOT ASK THE COUNCIL TO TAKE A FORMAL POSITION IN THIS SENSE NOR FOR THE PRESIDENT TO ISSUE A STATEMENT, BUT HE HOPED THAT I WOULD MAKE THE POINT CLEAR TO YOU. I DECIDED NOT TO REPLY TO THIS, IN ORDER NOT TO OPEN UP A DEBATE. TROYANOVSKY (USSR) SAID THAT WHILE SUPPORTING THE SECRETARY-GENERAL'S EFFORTS, HE ASSUMED THAT THE SECURITY COUNCIL WOULD REMAIN SEIZED OF THE QUESTION, THAT THE SECRETARY-GENERAL WOULD CONTINUE TO KEEP IT INFORMED, THAT IF HE WAS SUCCESSFUL HIS SOLUTION WOULD BE SUBMITTED TO THE COUNCIL FOR ITS CONSIDERATION AND THAT IF HE WAS UNSUCCESSFUL THE COUNCIL WOULD MEET TO CONSIDER WHAT STEPS SHOULD BE TAKEN.
  - 5. THANKS TO PEREZ DE CUELLAR'S EFFORTS, WE HAVE THUS CLEARED ANOTHER HURDLE IN THE COUNCIL. BUT THERE WAS NO MISTAKING THE MEMBERS' NERVOUSNESS ABOUT HOSTILITIES IF AND WHEN THE SECRETARY—GENERAL'S EFFORTS SHOULD FAIL. THE COUNCIL IS ALL SET TO SUPPORT A SIMPLE CEASEFIRE PLUS NEGOTIATIONS RESOLUTION IN THAT EVENT.

PARSONS

NNNN

FY UKMIS NEW YORK 142315Z MAY 85 TO INVEDIATE FOO TELEGRAM NUMBER 755 OF 14 MAY INS IMMEDIATE ATHENS BONN BRUSSELS COPENHAGEN DUBLIN THE HAGI LUXEMBOURG PARIS ROME UKREP BRUSSELS CANBERRA WELLINGTONS OTTAWA AND WASHINGTON. MY TEL NO 740: FALKLANDS: BRIEFING OF COMMUNITY AMBASSADORS. 1. I SAW THE TEN AGAIN AT 1930Z TODAY (14 MAY). 2. MY BELGIAN COLLEAGUE TOLD ME BEFORE THE MEETING THAT SHE HAD BEEN LOBBIED TODAY BY ROCA (ARGENTINA). IT SUBSEQUENTLY TURNED OUT THAT THE ARGENTINES HAD BEEN SYSTEMATICALLY SEEING ALL MEMBERS OF THE TEN HERE. THEIR LINE HAD BEEN: (A) ARGENTINA WAS NEGOTIATING IN GOOD FAITH: (B) SANCTIONS HAD NOT HELPED THE BRITISH: THEIR EFFECT HAD SIMPLY BEEN TO CONSOLIDATE LATIN AMERICAN AND THIRD WORLD SUPPORT FOR ARGENTINA: THEIR RENEWAL WOULD EXTEND THE CONFRONTATION AND HEIGHTEN THE NORTH/SOUTH CONFLICT: (C) THE SOVEREIGNTY QUESTION HAD BEEN RESOLVED AS A RESULT OF AN ARGENTINE CONCESSION: (D) THERE REMAINED THREE MAIN ISSUES: (E) THE MOST IMPORTANT OF THESE WAS THE NATURE OF THE INTER IM ADMIN-ISTRATION, WHERE ARGENTINA WANTED A PURELY UN ADMINISTRATION, BUT THE BRITISH WERE INSISTING ON RETENTION OF QUOTE THE COLONIAL STRUCTURES UNQUOTE. (F) THE OTHER TWO WERE WITHDRAWAL, WHERE THE ARGENTINES HAD ACCEPTED THE SECRETARY-GENERAL'S CONCEPT OF SIMULTANEOUS OR PARALLEL WITH-DRAWAL, BUT THE BRITISH HAD NOT: AND THE SUBSTANTIVE NEGOTIATIONS WHERE THE BRITISH WERE REFUSING TO ACCEPT A DEADLINE, EVEN THOUGH ARGENTINA HAD BEEN FLEXIBLE IN EXPRESSING READINESS TO ACCEPT EXTENSION OF THE DEADLINE BY A FEW MONTHS IF NECESSARY. (THIS WAS CLEARLY A COORDINATED DIPLOMATIC EFFORT BY THE ARGENTINES HERE IN ADVANCE OF THE POLITICAL COMMITTEE'S MEETING, WITH THE OBJECT OF PUTTING US ON THE WRONG FOOT BY PRETENDING THAT WE HAVE BEEN HOLDING UP PEREZ DE CUELLAR'S NEGOTIATIONS). 3. I SAID THAT I HAD BEEN RECALLED TO TAKE PART IN MINISTERIAL MEETINGS OVER THE WEEKEND AT WHICH THE MHOLE SITUATION WOULD BE REVIEWED. I HAD SO INFORMED THE SECRETARY-GENERAL THIS MORNING AND PAD PUT TO HIM THAT IT WAS ESSENTIAL THAT NOTHING SHOULD HAPPEN IN NEW YORK UNTIL I GOT BACK. I HAD ASKED HIM TO PERSUADE ROS (ARGENTINA) THAT THE UK WAS NOT PLAYING GAMES AND WAS MESSTIATING IN GOOD FAITH.

(F) THE OTHER TWO WERE WITHDRAWAL, WHERE THE ARGENTINES HAD ACCEPTED THE SECRETARY-GENERAL'S CONCEPT OF SIMULTANEOUS OR PARALLEL (ITH-DRAWAL, BUT THE BRITISH HAD NOT: AND THE SUBSTANTIVE NEGOTIATIONS WHERE THE BRITISH WERE REFUSING TO ACCEPT A DEADLINE, EVEN THOUGH ARGENTINA HAD BEEN FLEXIBLE IN EXPRESSING READINESS TO ACCEPT EXTENSION OF THE DEADLINE BY A FEW MONTHS IF NECESSARY.

(THIS WAS CLEARLY A COORDINATED DIPLOMATIC EFFORT BY THE ARGENTINES HERE IN ADVANCE OF THE POLITICAL COMMITTEE'S MEETING, WITH THE OBJECT OF PUTTING US ON THE WRONG FOOT BY PRETENDING THAT WE HAVE BEEN HOLDING UP PEREZ DE CUELLAR'S NEGOTIATIONS).

- 3. I SAID THAT I HAD BEEN RECALLED TO TAKE PART IN MINISTERIAL MEETINGS OVER THE WEEKEND AT WHICH THE WHOLE SITUATION WOULD BE REVIEWED. I HAD SO INFORMED THE SECRETARY-GENERAL THIS MORNING AND HAD PUT TO HIM THAT IT WAS ESSENTIAL THAT NOTHING SHOULD HAPPEN IN NEW YORK UNTIL I GOT BACK. I HAD ASKED HIM TO PERSUADE RCS(ARGENTINA) THAT THE UK WAS NOT PLAYING GAMES AND WAS NEGOTIATING IN GOOD FAITH. HE HAD TAKEN THIS POINT. THE ONLY THING THAT COULD UPSET MY PLANS (LOOKING FIRMLY AT DORR) WAS IF ANYONE WERE TO FORCE A FORMAL MEETING OF THE SECURITY COUNCIL AND SEEK A CALL FOR MILITARY RESTRAINT. MEANWHILE, I HAD NOTHING NEW TO SAY ON THE SUBSTANCE. BUT I DID WANT TO REAFFIRM THAT AT THIS CRITICAL MOMENT WE FELT STRONGLY THAT THERE WOULD BE A SEVERELY DAMAGING EFFECT ON THE DIPLOMATIC PROCESS IF THE COMMUNITY DID NOT EXTEND ITS SANCTIONS.
- 4. MOST OF THE SUBSEQUENT DISCUSSION COVERED THE SAME GROUND AS THAT REPORTED IN MY TELEGRAM UNDER REFERENCE. I AGAIN SAID THAT PARTICIPATION OF THE ISLANDERS IN THE INTERIM ADMINISTRATION WAS A VERY IMPORTANT ISSUE FOR US. I DECLINED TO BE DRAWN (BY THE FRG AND GREECE) IN ANY DETAIL ABOUT WHAT THE OTHER REMAINING POINTS OF DIFFICULTY WERE. DORR SAID THAT HE DID NOT THINK THAT ANYONE WOULD ROCK THE BOAT IN THE SECURITY COUNCIL, FOR THE NEXT FEW DAYS AT ANY RATE.
- 5. AT THE SAME TIME, WHYTE WAS BRIEFING MY CANADIAN, NEW ZEALAND AND AUSTRALIAN COLLEAGUES IN SIMILAR TERMS.

PARSONS

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CONFIDENTIAL

FM UKMIS NEW YORK 141935Z MAY 82

TO PRIORITY F C 0

TELEGRAM NUMBER 753 OF 14 MAY 1982

YOUR TELNOS 390 AND 395: FALKLANDS: DRAFT AGREEMENT

1. A REVISED VERSION OF THE DRAFT AGREEMENT IN MY TELNO 713 HAS BEEN PREPARED MAKING THE CHANGES SPECIFIED IN YOUR TELEGRAMS UNDER REFERENCE (TEXT BY TODAY'S BAG TO FEARN EMERGENCY UNIT AND FREELAND, LEGAL ADVISERS). THERE ARE SOME OUTSTANDING POINTS ON WHICH I SHOULD BE GRATEFUL FOR GUIDANCE ON A CONTINGENCY BASIS.

# ARTICLE 6(1) AND (2)

2. IT EMERGED FROM SOME REMARKS BY AHMED ON 13 MAY THAT THE SECRETARIAT ENVISAGE TWO RESOLUTIONS BY THE SECURITY COUNCIL, THE FIRST AUTHORISING THE SECRETARY-GENERAL TO ADMINISTER THE FALKLANDS DURING THE INTERIM PERIOD AND CALLING FOR A REPORT ON HOW HE WOULD PROPOSE TO DO IT, AND THE SECOND SIMPLY APPROVING HIS REPORT. THIS PROCEDURE WOULD DEPART FROM THAT FOLLOWED IN THE CASE OF WEST IRIAN (WHERE THE SG PRODUCED HIS REPORT AFTER SIGNATURE OF THE AGREEMENT AND THE GENERAL ASSEMBLY ADOPTED ONE RESOLUTION IN EFFECT ENDORSING BOTH), BUT WOULD FOLLOW THE PRACTICE OF THE SECURITY COUNCIL IN MOUNTING PEACEKEEPING OPERATIONS (EG SCRS 425 AND 426 SETTING UP UNIFIL, BOTH OF WHICH WERE ADOPTED ON THE SAME DAY). I RECOMMEND THAT WE SHOULD BE WILLING TO GO ALONG WITH ANY PROCEDURE WHICH PRODUCES THE RIGHT RESULT QUICKLY.

# ARTICLE 6(4)

3. I SUGGEST THAT THE FOLLOWING SENTENCE SHOULD BE ADDED:

'THE UNITED NATIONS ADMINISTRATOR SHOULD CONSULT THE PEOPLE

OF THE FALKLAND ISLANDS, THROUGH THEIR ELECTED REPRESENTATIVES

AND CTHERWISE, ABOUT THEIR INTERESTS, WISHES AND INTENTIONS

FOR THE FUTURE''.

# ARTICLE 6(F)

4. THE SECRETARY-GENERAL MAY FEEL THAT YOUR WORDING ABOUT HIS

Che resolution in effect endorsing both), but would follow the FRACTICE of the security council in mounting peacekeeping operations (EG SCRS 425 AND 426 SETTING UP UNIFIL, BOTH OF WHICH WERE ADOPTED ON THE SAME DAY). I RECOMMEND THAT WE SHOULD BE WILLIED TO GO ALONG WITH ANY PROCEDURE WHICH PRODUCES THE RIGHT RESULT OUICKLY.

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# ARTICLE 6(4)

3. I SUGGEST THAT THE FOLLOWING SENTENCE SHOULD BE ADDED:

'THE UNITED NATIONS ADMINISTRATOR SHOULD CONSULT THE PEOPLE

OF THE FALKLAND ISLANDS, THROUGH THEIR ELECTED REPRESENTATIVES

AND OTHERWISE, ABOUT THEIR INTERESTS, WISHES AND INTENTIONS

FOR THE FUTURE'.

# ARTICLE 6(6)

4. THE SECRETARY-GENERAL MAY FEEL THAT YOUR WORDING ABOUT HIS STAFF WOULD IMPINGE UPON HIS AUTHORITY AS THE CHIEF ADMINISTRATIVE OFFICER OF THE UN. HIS PROPOSALS ON STAFFING WOULD, OF COURSE, BE INCLUDED IN HIS REPORT TO THE SECURITY COUNCIL ON IMPLEMENTATION AND SO WE SHOULD HAVE A CHANCE TO INFLUENCE HIM AT THAT STAGE.

## ARTICLE 7.

5. THE SG'S FORMULA (MY TELNO 728, PARA 2) IS "TO SEEK WITH A SENSE OF URGENCY THE COMPLETION OF THESE NEGOTIATIONS BY 31 DECEMBER 1982", WHICH MAY BE AS GOOD AS, IF NOT ACTUALLY STRONGER THAN, "WITH A VIEW TO REACHING A PEACEFUL SETTLEMENT ... AND COMPLETING THESE NEGOTIATIONS BY THE TARGET DATE".

#### ARTICLE 8

- 6. THIS REMAINS A DIFFICULT ISSUE AND I SHOULD BE GRATEFUL FOR REACTIONS TO WORDING ALONG THE FOLLOWING LINES:
- "THIS INTERIM AGREEMENT SHALL ENTER INTO FORCE ON SIGNATURE AND MAY BE TERMINATED AT ANY TIME BY AGREEMENT BETWEEN THE PARTIES. IN THE ABSENCE OF SUCH AN AGREEMENT, THE UN ADMINIST—RATION SHALL CONTINUE UNTIL SUCH TIME AS THE SECRETARY—GENERAL MAKES A DETERMINATION THAT ALL EFFORTS AT REACHING A DEFINITIVE AGREEMENT ABOUT THE FUTURE OF THE ISLANDS IN ACCORDANCE WITH ARTICLE 7 ABOVE HAVE BEEN EXHAUSTED".

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TO IMMEDIATE F C O
TELEGRAM NUMBER 75Ø DATED 14 MAY 82
INFO PRIORITY WASHINGTON



14 MAY 1982

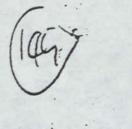
FOR NEWS DEPARTMENT

FALKLANDS: STATEMENTS TO THE PRESS

- 1. REUTERS ARE REPORTING THAT THE SECRETARY-GENERAL HOPES TO HAVE FINAL ANSWERS FROM BRITAIN AND ARGENTINA TO HIS FALKLANDS PEACE PROPOSALS WITHIN 36 HOURS. THIS IS NOT A STRICTLY ACCURATE REPORT.
- 2. AS HE ENTERED THE UN BUILDING THIS MORNING, PEREZ DE CUELLAR SAID IN REPLY TO QUESTIONS THAT:
  - (A) THE NEXT DAYS WILL BE VERY DECISIVE:
  - (B) HE HAD NEVER HAD IN MIND ENDLESS NEGOTIATIONS WITH THE PARTIES, BUT HOPED TO REACH A DEFINITIVE POINT TODAY OR TOMORROW:
  - (C) THE POSITIONS OF THE PARTIES WERE CLOSER THAN WHEN HE STARTED:
  - (D) (WERE THEY CLOSE ENOUGH FOR HIM TO BE ABLE TO PRESENT HIS PLAN?) THERE WERE STILL DIFFICULTIES, BUT HE HOPED TO IRON THEM OUT:
  - (E) THERE WAS ALWAYS THE RISK OF A BREAKDOWN, BUT ALSO THE POSSIBILITY OF A BREAKTHROUGH.

PARSONS

TELEGRAM NO 1757 OF 14 MAY 10 INFO IMMEDIATE UKMIS NEW YORK



114 MAY

## FALKLANDS

- 1. I HAD A MEETING THIS MORNING WITH STOESSEL AND EAGLEBURGER.
  BREMER (HAIG'S ASSISTANT) WAS ALSO THERE. EAGLEBURGER TOLD ME
  AFTERWARDS THAT THE CONTENTS OF OUR CONVERSATION WOULD BE LIMITED
  TO THOSE WHO HAD ACTUALLY BEEN PRESENT, BY WHICH HE MEANT THAT
  ENDERS HAD BEEN DELIBERATELY LEFT OUT.
- 2. STOESSEL SAID THAT HAIG HAD BEEN IN TOUCH FROM ANKARA BECAUSE HE WAS CONCERNED AT YESTERDAY'S DEVELOPMENTS, IE JEANE KIRKPATRICK'S INTERVENTION LEADING TO THE PRESIDENT'S TELEPHONE CALL TO THE PRIME MINISTER. STOESSEL AND EAGLEBURGER BOTH ASSURED ME THAT THEY HAD WORKED HARD ON THE PRESIDENT AND WERE CONFIDENT THAT BY THE TIME HE PHONED THE PRIME MINISTER, HE WAS IN NO DOUBT THAT IT WAS NOT WE WHO WERE BEING INTRANSIGENT. IF THERE HAD BEEN ANY DOUBTS REMAINING IN THE PRESIDENT'S MIND, THE PRIME MINISTER HAD DEALT WITH THEM.
- 3. STOESSEL WENT ON TO SAY THAT HAIR HAD ASKED THEM TO LET ME HAVE HIS LATEST THOUGHTS ON THE SITUATION AND ON OUR NEGOTIATING STANCE, WHICH WERE AS FOLLOWS:
  - (1) WE SHOULD DO EVERYTHING POSSIBLE TO ENSURE THAT IT WAS NOT WE WHO WERE RESPONSIBLE, OR HELD RESPONSIBLE, FOR ANY BREAKDOWN IN THE SECRETARY GENERAL'S EFFORTS IN NEW YORK, I SAID THIS WAS INDEED OUR AIM.
  - (II) WITHDRAWAL FROM THE ISLANDS SHOULD BE BASED ON PARITY OF TIME IN TERMS OF THE ABILITY OF BOTH SIDES TO REINSERT THEIR FORCES. THE US WAS WILLING TO GIVE WHATEVER HELP MIGHT BE REQUIRED IN TERMS OF VERIFICATION.
  - (111) THE FOCUS OF DISCUSSIONS SHOULD BE ON THE FALKLAND ISLANDS
    AND NOT THE DEPENDENCIES. THIS HAD ALSO BEEN THE VIEW OF
    PRESIDENT FIGUEIREDO OF BRAZIL.
    - (14) THE TERMS OF REFERENCE FOR REGOTIATIONS PETWEEN ERITAIN AND ANGENTINA SHOULD BE THE CURRENT NEUTRAL FORMULA PUT FORWARD IN NEW YORK TELEGRAN NO TORA

IN NEW YORK ON THESDAY (URMIS NEW YORK TELEGRAM NO 726).

(V) AS REGARDS CONSULTATION WITH THE ISLANDERS, HAIG THOUGHT THAT THE LANGUAGE USED IN THE US/PERUVIAN TEXT: "ADMINISTERING THE GOVERNMENT OF THE FALKLAND ISLANDS IN THE INTERIM PERIOD IN CONSULTATION WITH THE ELECTED REPRESENTATIVES OF THE POPULATION OF THE ISLANDS" WAS A GOOD FORMULATION AND THE BEST WE COULD HOPE TO GET.

(VI) AS REGARDS FREEDOM OF MOVEMENT, THERE SHOULD BE SOME KIND OF NEUTRAL FORMULA ON THE LINES THAT HE HAD FIRST PROPOSED IN LONDON, EG FREEDOM OF MOVEMENT WOULD BE ENCOURAGED IN AN ORDERLY WAY, WITH THE CONSENT OF EACH PARTY REQUIRED FOR THE IMPLEMENTATION OF SPECIFIC STEPS. THE UN INTERIM ADMINISTRATION COULD HAVE RESPONSIBILITY FOR FORMULATING SPECIFIC RECOMMENDATIONS. EAGLEBURGER SAID THAT THIS FORMULATION WOULD PUT RESPONSIBILITY FOR MAKING SUGGESTIONS IN THE HANDS OF THE UN BUT WOULD GIVE US A VETO SHOULD THE ARGENTINIANS PERSUADE THE UN TO PUT FORWARD IDEAS WHICH WOULD CLEARLY BE UNACCEPTABLE TO US. HAIG'S IDEA SEEMS TO BE THAT THIS LANGUAGE MIGHT BE INCORPORATED IN A SIDE LETTER RATHER THAN IN THE MAIN TEXT OF THE AGREEMENT.

4. 1 SAID THAT WE HAD NO GUARANTEE THAT THE ARGENTINIANS WOULD STICK TO THE FORMULA ON SOVEREIGNTY WORKED OUT IN NEW YORK. INDEED, PUBLIC REMARKS BY GALTIER! AND IGLESIAS ALREADY PUT THIS IN DOUBT. BUT THERE WERE OTHER VITAL ISSUES, INCLUDING, NOT JUST THE KEY ONES OF THE ROLE OF THE ISLANDERS AND THE NEED TO PREVENT THE ARGENTINIANS FROM SIMPLY SWAMPING THE ISLANDS WITH THEIR OWN PEOPLE, BUT HOW WE COULD ENSURE THAT THERE WAS NOT SIMPLY A CUT OFF POINT IN THE NEGOTIATIONS OR SOME THEORETICAL EXTENSION OF THE REGOTIATING PERIOD WHICH COULD BE OVERRIDDEN BY ARGENTINA. WE NEEDED SOME GUARANTEE THAT ARGENTINA COULD NOT ORDER THE UN OUT AT THE END OF THE YEAR AND REOCCUPY THE ISLANDS. FROM THIS POINT OF VIEW THE US PERUVIAN PLAN HAD BEEN IDEAL BECAUSE THE PRESENCE OF A CONTACT GROUP, INCLUDING THE US, HAD EFFECTIVELY PROVIDED THE GUARANTEE THAT WE NEEDED. STOESSEL AND EAGLEBURGER STRONGLY AGREED. HOWEVER, EVEN IF WE COULD GET BACK TO THE IDEA THAT THE INTERIM ADMINISTRATION SHOULD BE COMPOSED OF A CONTACT GROUP OF COUNTRIES, RATHER THAN UN OFFICIALS, THEY DOUBTED WHETHER THE US WOULD BE ACCEPTABLE UNDER A UN PLAN FECAUSE OF ITS SUPER POWER STATUS. EAGLEBURGER MADE IT PLAIN THAT THE KIND OF GUARANTEE THAT WAS INFLICIT IN THE US PRESENCE AS PAPT OF A CONTACT CHOUP OF COUNTRIES WAS AS FAR AS THEY COULT SO. A SEPARATE, PRIVATE, US "ILITARY TO STATE OF A STATE STATE OF THE STATE OF TH

EAGLEBURGER MADE IT PLAIN THAT THE KIND OF GUARANTEE THAT WAS IMPLICIT IN THE US PRESENCE AS PART OF A CONTACT GROUP OF COUNTRIES WAS AS FAR AS THEY COULD GO. A SEPARATE, PRIVATE, US MILITARY GUARANTEE WOULD RUN INTO DIFFICULTIES IN CONGRESS.

5. DURING OUR TALKS, HAIG TELEPHONED FROM ANKARA ASKING TO SPEAK TO ME. HE SAID THAT, IF IT WOULD HELP, HE COULD MEET YOU IN LUXEMBOURG EARLIER ON SUNDAY AFTERNOON THAN AT PRESENT PLANNED (1 BELIEVE YOU WERE DUE TO MEET AT 1988). HAIG WOULD CLEARLY LIKE TO DO THIS AND IF IT CAN BE FITTED IN WITH THE TIMETABLE OF YOUR MEETING WITH EC COLLEAGUES I RECOMMEND THAT YOU RESPOND POSITIVELY. STOESSEL SEPARATELY GAVE ME A COPY OF THE VERY STRONG AND HELPFUL LETTER WHICH HAIG HAS SENT TO COMMUNITY FOREIGN MINISTERS URGING THEM TO RENEW THE IMPORT BAN. I UNDERSTAND A COPY HAS BEEN GIVEN TO YOU IN LONDON.

HENDERSON

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INFO IMMEDIATE UKMIS NEW YORK

ACTION

FALKLANDS

1. EAGLEBURGER HAS GIVEN ME, CONFIDENTIALLY, THE TEXT OF A MEMORANDUM WRITTEN BY MIDDENDORF, THE US AMBASSADOR TO THE OAS, RECORDING A CONVERSATION WITH THE ARGENTINE AMBASSADOR TO THE US ON MAY 11. THIS READS AS FOLLOWS:

TAKACS CALLED ME THIS MORNING AFTER, HE SAID TRYING UNSUCCESSFULLY TO REACH ME AT HOME LAST NIGHT. HE SAID THAT FOLLOWING A CONVERSATION HE HAD WITH DICK WALTERS MONDAY HE WAS AFRAID THE DEPARTMENT MISUNDERSTOOD THE GOA'S NEGOTIATING POSITION. THEREFORE, TAKACS SAID HE WANTED TO EMPHASIZE THAT THERE HAS BEEN A DEFINITE ARGENTINE CHANGE- ARGENTINA HAS DELIBERATELY DE-LINKED THE SOVEREIGNTY ISSUE FROM THE NEGOTIATING PROCESS AND HE ASKED THAT I PASS THIS MESSAGE ON. HE SAID THIS DE-LINKAGE WAS A MAJOR CONCESSION SINCE THE ARGENTINE PUBLIC FEELS -STRONGLY THAT ' NOBODY SHOULD TAKE US OUT OF OUR ISLANDS. " TAKACS ADDED THAT HE FEELS WITH THIS DISPLAY OF ARGENTINE FLEXIBILITY THE BALL IS NOW IN THE BRITISH COURT. (I POINTED OUT TO TAKACS MY IMPRESSION THAT THE BRITISH ALSO HAD DISPLAYED FLEXIBILITY ON THE ISSUE OF THE FUTURE OF THE INHABITANTS OF THE ISLANDS.)

COMMENT: (WHILE TAKACS CLEARLY WANTED TO PORTRAY TO ME A FLEXIBLE GOA, PROBABLY IN HOPES WE WOULD PRESSURE THE BRITISH, HE ALSO SEEMED GENUINELY FEARFUL THAT THE DEPARTMENT IS MISREADING ARGENTINA ON THIS SCORE. AT LUNCH, MONDAY, MAY 18, WITH GOA OAS AMBASSADOR QUIJANO, I WAS THE RECIPIENT OF MUCH THE SAME MESSAGE. QUIJANO TOLD ME COSTA MENDEZ HAD CALLED HIM SATURDAY THE 8TH, TO ASK HIS VIEW ON WHAT SORT OF INSTRUCTIONS DEPUTY FOREIGN MINISTER ROS SHOULD HAVE FOR THE UN. QUIJANO SAID HE HAD TOLD COSTA MENDEZ THAT ROS SHOULD NOT BOTHER WITH THE UN UNLESS HE WAS ABLE TO PRESENT A REAL SEA CHANGE IN THE ARGENTINA POSITION, CE-LIMPING SOVEREIGHTY FROM NEGOTIATONS. QUIJANO TOLD ME HE STRONGLY BELIEVES THIS IS NOW THE GOA'S POSITION.

I HAVE POLITELY REFREAINED FROM ASKING EITHER FOR ASSURANCES THAT THE JUNTA IS FIRMLY ON BOARD WITH THE FOREIGN MINISTRY

THAT THE JUNTA IS FIRMLY ON FOARD WITH THE FOREIGN MINISTRY BUT I WOULD ADD THAT BOTH MEN, SO FAR AS I CAN RECALL, HAVE BEEN VERY STRIGHT WITH ME.)

ON OTHER RELATED SUBJECTS, TAKACS:

- THOUGHT IT A HOPEFUL SIGN THAT NEGOTIATIONS AT THE UN NOW ARE IN THEIR THIRD DAY:
- EXPECTS A CEASE-FIRE ANNOUNCEMENT BY THE WEEKEND:
- SAID HENRY KISSINGER WAS TO MEET PYM TODAY TO URGE THE UK TO YIELD ON THE SOVEREIGNTY ISSUE:
- REPORTED THE GARCIA BUSTILLOS-HEADED VENEZUELAN

  DELEGATION IN BUENOS AIRES WILL OFFER MILITARY

  AID BUT NOT TROOPS BECAUSE THE GOA HASN'T ASKED:
- STRESSED THAT ARGENTINA DOESNT WANT TO INTERNATIONALIZE THE WAR, SAYING, QUOTE AS YOU KNOW, WE'VE HAD OFFERS FROM OTHERS WHICH WE HAVE TURNED DOWN UNQUOTE
- SUGGESTED, THAT AS A SIGNAL TO THE LATINS THAT WE WISH TO AVERT THE GROWING BUILDUP OF ANIMUS AGAINST US, THAT THE US SEEK SOMEHOW TO RETURN TO A NEUTRAL POSITION BEFORE AN ACTUAL SETTLEMENT IS COMPLETED QUOTE EVEN IF SUCH A RETURN TAKES PLACE ONLY FIVE MINUTES BEFORE ANNOUCEMENT OF A SETTLEMENT UNUQUTE
- EMPHASIZED (AS QUIJANO ALSO HAS DONE) THE NEED TO LOOK
  BEYOND THE IMMEDIATE PROBLEM TO WAYS TO RE-BUILD HEMISPHERIC
  SOLIDARITY.

RETURNING TO THE PRESENT STATE OF HOSTILITIES AND PROSPECTS FOR A CEASE-FIRE, TAKACS CCLAIMED THE GOA HAS BEEN OBSERVING A CEASE-FIRE FOR SOMETIME— THAT THE ACTION AGAINST THE SHEFFIELD WAS ONLY IN RETALIATION FOR THE BELGRANO. HE ALSO SAID THAT CONTINUED BRITISH SHEELLING COULD BE A DISASTER, PROVOKING AN ESCALATION IN HOSTILITIES. HE SAID THUS FAR TEN ISLANDERS HAD BEEN KILLED: MANY MORE WERE IN PERIL IF THE BRITISH DO NOT STOP. HE SAID HE WAS VERY SMEPTICAL THAT BY CONTINUOUS SHELLING THE UN IMPROVES CHANCES FOR A PEACEFUL SETTLEMENT ALTHOUGH NO DOUBT THE BRITISH HAVE A DIFFERENT VIEWPOINT. HE SAID THAT IF VEGOTIATIONS GO ON OVER THE

CHANCES FOR A PEACEFUL SETTLEMENT ALTHOUGH NO DOUBT THE BRITISH HAVE A DIFFERENT VIEWPOINT. HE SAID THAT IF NEGOTIATIONS GO ON OVER THE NEXT WEEK OR LONGER AND THE BRITISH AT THE SAME TIME SHOW NO SIGNS OF HALTING, HE WOULD HOPE THE US WOULD WEIGH IN AND ASK THE UK TO STOP.

HENDERSON

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TELEGRAM NUMBER 1773 OF 14 MAY

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INFO IMMEDIATE UKMIS NEW YORK

FALKLANDS: GENERAL WALTERS' VISIT TO BUENOS AIRES

- 1. GENERAL WALTERS PHONED ME ON HIS RETURN FROM BUENOS AIRES
  TO APOLOGIES FOR HIS UNHELPFUL REMARKS ABOUT BRITISH AND
  ARGENTINE POLICY ON THE FALKLANDS (MY TELNO 1729). HE WAS
  A GREAT ADMIRER OF THE PRIME MINISTER, AND WAS DEEPLY DISTRESSED
  THAT HIS REMARKS SHOULD HAVE CAUSED OFFENCE IN LONDON
- 2. WALTERS WENT ON TO OUTLINE HIS VISIT TO BUENOS AIRES,
  THE MAIN PURPOSE OF WHICH HE CLAIMED WAS TO LIMIT THE DAMAGE
  TO AMERICAN RELATIONS WITH LATIN AMERICA WHICH HAD BEEN BROUGHT
  ABOUT BY US SUPPORT FOR THE UK. HE HAD FOUND THE ARGENTINE
  JUNTA THE MOST DIFFICULT PEOPLE HAD HAD HAD TO DEAL WITH SINCE
  HIS ENCOUNTERS MANY YEARS AGO WITH MOSSADE.
- 3. EAGLEBURGER SUBSEQUENTLY GAVE THE MINISTER AN ACCOUNT OF THE VISIT, BASED ON WALTERS' REPORTING CABLES. WALTERS HAD BEEN EFFUSIVELY GREETED BY GALTIERI, WHO HAD TAHNKED HIM FOR COMING SO FAR. HE AGREED WITH THE AMERICAN DESIRE FOR AN HONOURABLE SETTLEMENT TO A WAR BETWEEN TWO FRIENDS OF THE US.
- 4. GALTIERI TOLD WALTERS THAT RECENT US STATEMENTS, PARTICULARLY BY WEINBERGER, HAD RAISED STRONG ANTI-AMERICAN FEELINGS IN BUENOS AIRES. HE CLAIMED TO UNDERSTAND THE REASONS FOR US BACKING OF THE UK, BUT HE FELT THAT THE AMERICANS COULD HAVE ADOPTED A LESS PARTIAL COURSE. WALTERS REMINDED HIM THAT HAIG HAD WARNED THE ARGENTINIANS SEVERAL TIMES THAT THE US WOULD HAVE TO SUPPORT BRITAIN IF ARGENTINA REFUSED TO NEGOTIATE SEROUSLY.
- 5. WALTERS DISCUSSED IN DETAIL WHAT HE FELT WERE THE TWO MAIN PROPLEMS IN THE PRESENT NEGOTIATIONS, IE PREJUDGEMENT OF SOVEREIGNTY AND THE QUESTION OF SELF-DETERMINATION AND THE TENESSES THAT OF THE ISLANDERS IN THE INTERIM ADMINISTRATION.

  5. LTIEST HAT ASMED WHAT QUASTITEE THERE WAS THAT ADMINISTRATION.

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  5. ESTITISH WORLD SIMPLY NOT SPIN OUT MEGOTIATIONS

PROBLEMS IN THE PRESENT NEGOTIATIONS, IE PREJUDGEMENT OF.
SOVEREIGNTY AND THE QUESTION OF SELF-DETERMINATION AND THE
PRESENTATION OF THE ISLANDERS IN THE INTERIM ADMINISTRATION.
GALTIERI HAD ASKED WHAT GUARANTEE THERE WAS THAT ARGENTINA
WOULD EVENTUALLY HAVE SOVERIGNTY OVER THE ISLANDS AND THAT
THE BRITISH WOULD SIMPLY NOT SPIN OUT NEGOTIATIONS
INDEFINITELY: HE HAD TO HAVE SOMETHING TO REASSURE THE
ARGENTINE PUBLIC ON THIS. WALTERS HAD REPLIED THAT ALTHOUGH
HE COULD GIVE NO PROMIS AS TO THE OUTCOME OF NEGOTIATIONS
DURING THE INTERIM PERIOD, THE EXISTENCE OF A CONTACT GROUP
OF THIRD PARTIES (SIC) WOULD QUOTE HELP THINGS ALONG UNQUOTE.

- 6. WITH REGARD TO ARGENTINE RELATIONS WITH THE SOVIET UNION, WALTERS CLAIMED THAT THE ONLY WINNER OF WAR BETWEEN ARGENTINA AND THE UK WOULD BE THE USSR. GALTIERI REPLIED THAT IF BRITAIN ASSAULTED THE FALKLANDS, ARGENTINA WOULD SEEK HELP FROM THOSE FRIENDS WHO HAD OFFERED IT, EXCEPT THE SOVIETS. THE ARGENTINIANS HAD ALREADY LOST NEARLY 400 MEN: THEY WERE PREPARED TO LOSE 40,000 IF NECESSARY.
- 7. ON MILITARY MATTERS, ALL THE MEMBERS OF THE JUNTA

  (WHO WALTERS SAW SEPARATELY) ACCUSED THE US OF HAVING

  PROVIDED THE ROYAL NAVY WITH INTELLIGENCE ON ARGENTINE

  SHIP POSITIONS. ADMIRAL ANAYA CLAIMED THAT ARGENTINE VESSELS

  HAD ON FIVE OCCASIONS BEEN LOCATED OUTSIDE THE RANGE OF

  BRITISH RADAR AND THAT ALL THE EVIDENCE POINTED TOWARDS.US

  ASSISTANCE. WALTERS HAD DENIED THIS. THE BRITISH

  HAD ADEQUATE DETECTION CAPABILITIES OF THEIR OWN (HE TOLD ME THAT

  HE REMINDED THE ARGENTINIANS THAT THEY HAD TAKEN ON A GREAT POWER).
- B. AT A SECOND MEETING WITH GALTIERI, WALTERS GAINED
  THE IMPRESSION THAT THE JUNTA (WHICH HE THOUGHT SEEMED COMPLETELY
  UNITED) WERE FLEXIBLE ON PREDETERMINATION ON SOVERIGHTY (ALTHOUGH
  THEY STILL INSISTED ON A FIRM CUT-OFF DATE) AND EVEN ON
  THE CONTINUATION OF SOME FORM OF LOCAL ADMINISTRATION
  DURING THE INTERIM PERIOD. HOWEVER GALTIERI WAS UNYIELDING ON
  ACCESS TO THE ISLANDS FOR ARGENTINE NATIONALS. WALTERS HAD
  EMPHASIZED THE DIFFICULTIES WHICH THE US WOULD HAVE ON THIS
  POINT. NO MENTION WAS MADE OF THE DEPENDENCIES, BUT WALTERS
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THE IMPRESSION THAT THE JUNTA (WHICH HE THOUGHT SEEMED COMPLETELY UNITED) WERE FLEXIBLE ON PREDETERMINATION ON SOVERIGHTY (ALTHOUGH THEY STILL INSISTED ON A FIRM CUT-OFF DATE) AND EVEN ON THE CONTINUATION OF SOME FORM OF LOCAL ADMINISTRATION DURING THE INTERIM PERIOD. HOWEVER GALTIERI WAS UNYIELDING ON ACCESS TO THE ISLANDS FOR ARGENTINE NATIONALS. WALTERS HAD EMPHASIZED THE DIFFICULTIES WHICH THE US WOULD HAVE ON THIS

9. GALTIERI HAD ALSO PROPOSED THAT THE DISPUTE SHOULD BE RESOLVED BY MEANS OF A SUMMIT MEETING HELD UNDER THE AUSPICES OF THE UN SECRETARY GENERAL AND COMPRISING HIMSELF, MRS THATCHER AND PRESIDENT REAGAN.

POINT, NO MENTION WAS MADE OF THE DEPENDENCIES, BUT WALTERS THOUGHT THE JUNTA WOULD PROBABLY ACCEPT THAT THEY SHOULD BE

18. WALTERS FINALLY EMPHASIZED THE NEED TO ENSURE THE SAFETY OF US CITIZENS IN ARGENTINA: HE WAS TOLD THAT ARGENTINA WAS NOT IRAN AND THAT AMERICANS HAD NOTHING TO FEAR (PROVIDED THEY TOOK A LOW PROFILE). GALTIERI REPEATED THAT AMERICAN SUPPORT FOR THE UK WAS DEEPLY RESENTED, BUT WALTERS WAS ENCOURAGED THAT THE ARGENTINES SEEMED ANXIOUS TO MEND FENCES.

HENDERSON

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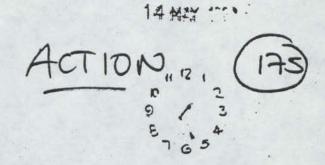
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TO IMMEDIATE FCO

TELEGRAM NUMBER 1762 OF 14 MAY

INFO IMMEDIATE UKMIS NEW YORK

FALKLANDS



- 1. JUDGE CLARK TOLD ME TODAY THAT HE HAD HAD AN APPROACH FROM SENATOR STEVENS WHO WAS THINKING OF PUTTING DOWN A RESOLUTION CALLING UPON THE BRITISH NOT TO ATTACK THE ARGENTINE MAINLAND. THE SENATOR HAD ASKED JUDGE CLARK FOR HIS REACTION. CLARK HAD TOLD HIM THAT HE WAS GOING TO BE SEEING ME SHORTLY AND WOULD OBTAIN MY VIEW.
- 2. I TOLD CLARK THAT SENATOR STEVENS SHOULD BE STRONGLY DISCOURAGED. IF SUCH A RESOLUTION WAS DISCUSSED OR EVEN TABLED IN THE SENATE IT COULD ONLY HAVE AN ADVERSE EFFECT IN THE UK. THE BRITISH PARLIAMENT MIGHT IN RETURN CONSIDER SOME RESOLUTION CALLING UPON THE US SENATE NOT TO INTERFERE IN OUR AFFAIRS, OR TO PUT IT LESS MILDLY, TO MIND THEIR OWN BUSINESS. BUT IN ANY CASE IT COULD DO NO GOOD. JUDGE CLARK UNDERTOOK TO SPEAK TO SENATOR STEVENS ACCORDINGLY.
- 3. I HAVE SUBSEQUENTLY TELEPHONED SENATOR PERCY, THE CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE. HE SAID THAT HE WAS JUST LEAVING THE COUNTRY FOR 3 OR 4 DAYS BUT HE WOULD GIVE INSTRUCTIONS THAT A COMPLETE BLOCK SHOULD BE PUT ON ANY ATTEMPT BY SENATOR STEVENS TO TABLE SUCH A MOTION. HE REALISED IT WOULD ONLY DO HARM. THE MAIN EFFORT FOR EVERYBODY NOWADAYS SHOULD BE TO EXERT THE MAXIMUM PRESSURE ON THE ARGENTINIANS.

HENDERSON

NHNH

VONFO 876/14 WONNYK 888/14 OO UKMIS NEW YORK 00 F C 0 PP BRASILIA GR 138 SECRET FM WASHINGTON 141885Z MAY 82 TO IMMEDIATE F C O TELEGRAM NO 1759 OF 14 MAY INFO IMMEDIATE UKMIS NEW YORK, PRIORITY BRASILIA MY TELEGRAM NO 1745 (NOT TO ERASILIA): FALKLANDS: US/ERAZIL 1. WHEN I SAW STOESSEL THIS MORNING, HE TOLD WE THAT PRESIDENT FIGUEIREDO WAS NO LONGER PLANNING, AS CLARK HAD TOLD ME YESTERDAY, TO SEND HIS CHIEF OF INTELLIGENCE AS A SPECIAL EMISSARY TO BUENOS AIRES. STOESSEL HAD SEEN FIGUEIREDO OFF AT THE AIRPORT LAST NIGHT AND IT WAS CLEAR THAT FIGUEIREDO NOW THOUGHT THAT BRAZIL COULD NOT PLAY A HELPFUL ROLE UNLESS AN AGREEMENT WAS IN SIGHT. IN THOSE CIRCUMSTANCES, BRAZIL MIGHT INFLUENCE ARGENTINA TO BE REASONABLE BUT AT PRESENT FIGUEIREDO THOUGHT THAT BOTH SIDES WERE TOO FAR APART. HENDERSON MANK

Action

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OO UKMIS GENEVA

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CONFIDENTIAL

FM FCO 142130Z MAY 82

TO IMMEDIATE UKMIS GENEVA

TELEGRAM NUMBER 170 OF 14 MAY

INFO BERNE, UKMIS NEW YORK, MODUK (FOR DS11 AND DS5)

THE ARGENTINE SHIP 'BAHIA PARAISO'

- 1. PLEASE APPROACH THE INTERNATIONAL COMMITTEE OF THE RED CROSS ON THE FOLLOWING MATTER.
- 2. ON 7 MAY WE LEARNED FROM OUR EMBASSY IN BERNE THAT THE GOVERNMENT OF ARGENTINA HAD NOTIFIED THE INTERNATIONAL COMMITTEE OF THE RED CROSS (ICRC) THAT IT INTENDED HENCEFORWARD DURING PRESENT HOSTILITIES TO DESIGNATE THE NAVAL AUXILIARY VESSEL 'BAHIA PARAISO' AS A HOSPITAL SHIP WITHIN THE MEANING OF THE GENEVA CONVENTION. AS THE ICRC ARE WELL AWARE, THIS CONVENTION LAYS DOWN A NUMBER OF STRICT PROVISIONS WHICH ARE TO BE OBSERVED IF SUCH A SHIP IS TO ENJOY THE PROTECTION AFFORDED BY THE CONVENTION UNDER INTERNATIONAL LAW.
- 3. WE NOW HAVE GOOD REASON TO BELIEVE THAT, DESPITE THIS NOTI-FICATION AND THE VESSEL'S EXTERNAL MARKINGS AS A HOSPITAL SHIP, THE GOVERNMENT OF ARGENTINA MAY BE LOADING THE 'BAHIA PARAISO' AND IN OTHER WAYS EMPLOYING HER IN A MANNER CONTRARY TO THE RELEVANT PROVISIONS OF THE GENEVA CONVENTION.
- 4. IN THE CIRCUMSTANCES THE BRITISH GOVERNMENT FORMALLY REQUESTS THE ICRC TO APPOINT A REPRESENTATIVE TO INSPECT THIS VESSEL AND TO REPORT WHETHER SHE IS IN ALL RESPECTS COMPLYING WITH THE PROVISIONS OF THE GENEVA CONVENTION. WE ALSO REQUEST THAT AN ICRC REPRESENTATIVE REMAIN ABOARD THE 'BAHIA PARAISO' DURING ANY FUTURE ACTION BY THAT SHIP DURING CURRENT HOSTILITIES.
- 5. (FOR BERNE). PLEASE ASK THE SWISS TO INFORM THE ARGENTINES
  THAT WE HAVE MADE THIS COMMUNICATION TO THE ICRC. IN DOING SO,
  WE SHOULD LIKE THE SWISS TO ADD THAT IF THE 'BAHIA PARAISO' IS
  FOUND BY BRITISH FORCES WITHIN THE EXCLUSION ZONE ESTABLISHED AROUND
  THE FALKLAND ISLANDS EQUIPPED, LOADED OR IN OTHER WAYS
  BEHAVING IN A MANNER CONTRAVENING THE RELEVANT PROVISIONS OF THE

GENEVA CONVENTION GOVERNING HOSPITAL SHIPS WE SHALL NOT (NOT)
REGARD THE 'BAHIA PARAISO' AS ENJOYING THE PROTECTION UNDER INTERNATIONAL LAW AFFORDED BY THAT CONVENTION.

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OP CORPORATE-BAHLA PARALSO - STATUS

Mr Whight mr cillmone mr woster mr fearl Def Desk Pued 1 4 MAY 1982



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1. SINCE BAHLA PARAISO WAS DECLARED AN HOSPITAL SHIP BY ARGENTINA

ON 8 MAY, INFORMATION HAS BEEN RECEIVED WHICH SUGGESTS THAT HER ACTIVITIES MAY NOT COMPLY WITH ALL ASPECTS OF GENEVA CONVENTION.

IN LAST 24 HOURS THERE HAS BEEN INCREASING EVIDENCE THAT SHE MAY BE LOADING FOOD AND EQUIPMENT FOR THE ARG GARRISON IN FALKLAND IS.

2. APPROVAL HAS BEEN GIVEN FOR THE FOLLOWING ACTION TO BE TAKEN IN ACCORDANCE WITH CHAPTER THREE ARTICLE 31 GENEVA CONVENTION IF

BAHIA PARAISO IS LOCATED WITHIN THE TEZ.

A. VESSEL IS TO BE ORDERED TO STOP FOF INSPECTION.

PAGE 2 RBDWC 4439 S E C R E T

- B. VESSEL IS TO BOARDED BY ARMED PARTY WHO ARE TO INSPECT VESSEL WITH PARTICULAR REFERENCE TO CRITERIA BELOW. MEDICAL OFFICER OR SENIOR MEDICAL RATING SHOULD BE INCLUDED IN PARTY.
- 3. FOLLOWING SPECIFIC ASPECTS SHOULD BE INSPECTED:
- A. USE OF CRYPTO MATERIAL FOR COMMUNICATIONS OR EVIDENCE THAT RADIO HAS BEEN USED FOR TRANSMISSION OF MILITARY INFORMATION.
- B. CARRIAGE OF WEAPONS OTHER THAN LIMITED PERSONAL WEAPONS FOR CREW SELF DEFENCE.
- C. STORES PROVISIONS AND EQUIPMENT NOT EXCLUSIVELY FOR MEDICAL OR CREWS OWN USE.
- D. CARRIAGE OF COMBATANT PERSONNEL.
- E. RED CROSS MARKINGS ON ALL HELICOPTERS CARRIED AND NUMBER THEFEOF.
- L. WARNINGS HAVE BEEN GIVEN TO ARG AUTHORITIES THROUGH SWISS THAT IF BAHIA PARAISO IS OBSERVED IN THE TOTAL EXCLUSION ZONE EQUIPPED, LOADED OF IN OUHER WAYS BEHAVING IN A MANNER CONTRAVEN-

BAHLA PARAISO IS LOCATED LITHIN THE TEZ. 4. VESSEL IS TO BE ORDERED TO STOP FOR INSPECTION. PAGE 2 RBDWC 4439 S E C R E T B. VESSEL IS TO BOARDED BY ARMED PARTY WHO ARE TO INSPECT VESSEL WITH PARTICULAR REFERENCE TO CRITERIA BELOW. MEDICAL OFFICER OR SENIOR MEDICAL RATING SHOULD BE INCLUDED. 3. FOLLOWING SPECIFIC ASPECTS SHOULD BE INSPECTED: A. USE OF CRYPTO MATERIAL FOR COMMUNICATIONS OR EVIDENCE THAT RADIO HAS BEEN USED FOR TRANSMISSION OF MILITARY INFORMATION. B. CARRIAGE OF WEAPONS OTHER THAN LIMITED PERSONAL WEAPONS FOR CREW SELF DEFENCE. C. STORES PROVISIONS AND EQUIPMENT NOT EXCLUSIVELY FOR MEDICAL OR CREWS OWN USE. D. CARRIAGE OF COMBATANT PERSONNEL. E. RED CROSS MARKINGS ON ALL HELICOPTERS CARRIED AND NUMBER THEREOF. 4. WARNINGS HAVE BEEN GIVEN TO ARG AUTHORITIES THROUGH SWISS THAT IF BAHLA PARALSO IS OBSERVED IN THE TOTAL EXCLUSION ZONE EQUIPPED. LOADED OR IN OUHER WAYS BEHAVING IN A MANNER CONTRAVEN-ING THE RELEVANT PROVISION OF THE GENEVA CONVENTION GOVERNING HOSPITAL SHIPS, WE SHALL NOT REGARD HER AS ENJOYING THE PROTECTION UNDER INTERNATIONAL LAW BY THAT CONVENTION. PAGE 3 RBDWC 4439 S E C R E T 5. IF, WHEN CHALLENGED, BAHIA PARAISO DOES NOT STOP, SHE SHOULD BE SHADOWED AND REPORT MADE BY FLASH MESSAGE.

6. BAHLA PARALSO MAY REPORT HM SHIPS IN HER VICINITY TO COMBATANT UNITS. SPECIAL WATCHFULNESS REQUIRED UNDER THESE CIRCUMSTANCES ET

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GRS 200 CONFIDNETIAL FM CARACAS 141500Z MAY 62 TO PRIRITY FCO TELEGRAM NUMBER 167 OF 14 MAY 14 HOY

VENEZUELA AND FALKLANDS

1. FOLLOWING A MINISTERIAL MISSION TO BUENOS AIRES
THE VENEZUELAN GOVERNMENT ARE SENDING FURTHER MISSION TO
SEVERAL EUROPEAN CAPITALS AT GALTIERI'S REQUEST. DATES
GIVEN ARE 15-29 MAY. AT PRESENT PLANNED ITINERARY IS SPAIN,
VATICAN, WEST GERMANY, BELGIUM, HOLLAND AND FRANCE, POSSIBLY
ENDING UP IN USA. MISSION WILL BE LED BY DR GARCIA BUSTILLOS,
NINISTER OF THE PRESIDENCY, AND WILL INCLUDE THE VICE FOREGIGN
MINISTER DR PAEZ PUMAR. THE GOVERNMING COPEL PARTY, THE ACCION
DEMOCRATICA OPPOSITION AND THE MAIN LEFT-WING PARTY MAS WILL
ALSO BE REPRESENTED.

2. PURPOSE OF MISSION IS TO SHOW SOLIDARITY WITH ARGENTIN. IT WILL UNDERLINE APPARENT QUOTE FLEXIBILITY UNQUOTE SHOWN BY GALTIERI IN JOINT ARGENTINE/ VENEZUELAN DISCUSSIONS IN BUENOR AIRES, IT WILL SEEK THE LIFTING OF SANCIONS, AND IS CLEARLY AIMED AT ISOLATING UK FROM EUROPE. ITS MAIN IMPACT WILL PROBABLY BE ON INTERNAL OPINION HERE AS IT AT LEAST GIVES IMPRESSION THAT VENEZUELAN LEADERSHIP IS DOING SOMETHING POSITIVE.

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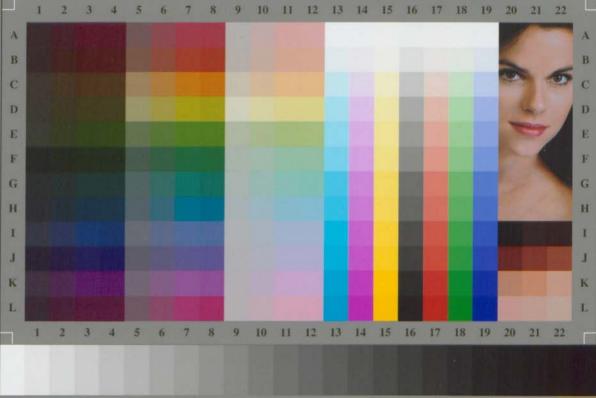
PART 16 ends:-

Paris to Fco, rel 486 14.5.82

PART 17 begins:-

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