806

PREM 19/629

9/28/22

PART 18

Conficiential Filing

Relations with Argentina

Position of the Falkland Islands

ARGENTINA

PART 1:- Sept 1979.

PART 18: - May 1982

Referred to	Date						
18.5.82							
20-5-82							
205.82							
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●PART 18 ends:-

21 May 82

PART 19 begins:-

22 May 82

# **Published Papers**

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

- 1. House of Commons Hansard, 18 May 1982, columns 186-190
- 2. House of Commons Hansard, 20 May 1982, columns 477-561

Signed Orayland Date 19 April 2012

**PREM Records Team** 

## Cabinet / Cabinet Committee Document

The following document, which was enclosed on this file, has been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES.

Reference:

Date:

OD(82) 42 20 May 1982

\_\_\_\_ Date 19 April 2012

**PREM Records Team** 

GRS 268

UNCLASSIFIED

FM FCO 211347Z MAY 82

TO IMMEDIATE BIS BUENOS AIRES

TELEGRAM NUMBER 82 OF 21 MAY

PLEASE PASS FOLLOWING TO G T MURCHISON, CHAIRMAN, BRITISH

COMMUNITY COUNCIL IN THE ARGENTINE REPUBLIC, FROM THE PRIME

MINISTER, IN ANSWER TO MURCHISON'S TELEX OF 17 MAY (TEXT IN MIFT).

'THANK YOU FOR YOUR TELEGRAM ABOUT THE CHILDREN WHO REMAIN ON THE FALKLAND ISLANDS. I APPRECIATE YOUR ANXIETY FOR THEIR SAFETY.

THE CHILDREN CAN BEST BE SAFEGUARDED BY THE EARLY WITHDRAWAL OF THE ARGENTINE OCCUPYING FORCES FROM THE ISLANDS, AS REQUIRED BY THE RESOLUTION 502 OF THE SECURITY COUNCIL. WE HAVE GIVEN THE ARGENTINE GOVERNMENT EVERY OPPORTUNITY TO WITHDRAW PEACEFULLY. MOREOVER IT IS NOT POSSIBLE FOR ME TO SAY WHETHER YOUR PROPOSAL WOULD BE. ACCEPTABLE TO THE FALKLAND ISLANDERS. THEY MAY NOT OF COURSE WISH THEIR CHILDREN TO BE EVACUATED FROM THE FALKLAND ISLANDS. AND IF THEY DID, THEY MIGHT WELL NOT WISH THEM TO GO TO ARGENTINA.

'IN THESE CIRCUSTANCES ANY SOUNDING OF THE OPINION
OF THE ISLANDERS COULD BEST BE UNDERTAKEN BY REPRESENTATIVES
OF THE INTERNATIONAL COMMITTEE OF THE RED CROSS.
UNFORTUNATELY THE ARGENTINE AUTHORITIES HAVE NOT PERMITTED
REPRESENTATIVES OF THE COMMITTEE TO TRAVEL TO THE ISLANDS.
WE REGRET THIS.

'YOU MAY BE SURE WE SHALL DO ALL IN OUR POWER TO PROTECT THE SAFETY AND WELL-BEING OF ALL THE FALKLAND ISLANDERS. BUT I MUST REPEAT THAT THE BEST GUARANTEE OF THEIR SAFETY WOULD BE IMMEDIATE ARGENTINE WITHDRAWAL AS DEMANDED BY THE INTERNATIONAL COMMUNITY THROUGH THE SECURITY COUNCIL'.

PYN

FALKLAND ISLANDS GENERAL FCO S AM D GABINET OFFICE

ADDITIONAL DISTN. FAIKLAND ISLANDS

6492 - 1

GRS

CONFIDENTIAL

FM FCO 211135Z MAY 82

TO FLASH LIMA

TELEGRAM NUMBER 122 OF 21 MAY 1982

INFO IMMEDIATE UKMIS NEW YORK, WASHINGTON

YOUR TELNOS 186-189: FALKLAND ISLANDS: NEW PERUVIAN FORMULA

1. BELAUNDE'S NEW FORMULA IS OF COURSE SIMPLISTIC AND OFFERS
NO APPARENT MEANS OF BRIDGING THE VERY WIDE GAP BETWEEN OUR AND
THE ARGENTINE POSITION. IT IS CONCERNED WITH PROCEDURES RATHER
THAN SUBSTANCE AND WE DO NOT SEE THAT IT OFFERS ANY PRACTICAL
WAY FORWARD. HOWEVER, WE APPRECIATE THAT BELAUNDE'S INITIATIVE
IS WELL-MEANING AND (PARTICULARLY IN VIEW OF THE APPARENT
COLOMBIAN SUPPORT FOR IT) WE DO NOT WISH TO APPEAR SIMPLY
DISMISSIVE. PLEASE THEREFORE SPEAK TO BELAUNDE AS FOLLOWS.
BEGINS.

THROUGHOUT THE PRESENT CRISIS WE HAVE WARMLY APPRECIATED PRESIDENT BELAUNDE'S STATESMANLIKE EFFORTS TO PROMOTE A PEACEFUL SOLUTION. WE HAVE BEEN AS DISAPPOINTED BY THE FAILURE OF THE UN SECRETARY GENERAL'S EFFORTS AS WE WERE BY THE PREVIOUS ARGENTINE REJECTION OF THE PROPOSALS EVOLVED BY PRESIDENT BELAUNDE AND MR HAIG. WE RECOGNISE THE CONSTRUCTIVE PURPOSE OF THE PRESIDENT'S NEW INITIATIVE AND WE CONFIRM OUR OWN WILLINGNESS TO NEGOTIATE A SETTLEMENT WHICH COULD BRING TO AN END CONFLICT IN THE SOUTH ATLANTIC. HOWEVER, AS THE RECENT ROUND OF NEGOTIATIONS IN NEW YORK HAS ALL TOO CLEARLY DEMONSTRATED, A PEACEFUL SETTLEMENT WILL ONLY BE ATTAINABLE THROUGH A FUNDAMENTAL CHANGE IN THE ARGENTINE POSITION. THE ESSENTIAL FIRST STEP IS, AS IT HAS ALWAYS BEEN, AN UNEQUIVOCAL ARGENTINE COMMITMENT TO WITHDRAW ITS FORCES AND TO IMPLEMENT FULLY THE TERMS OF SECURITY COUNCIL RESOLUTION 502. IF PRESIDENT BELAUNDE WERE ABLE TO EXERT HIS CONSIDERABLE INFLUENCE WITH PRESIDENT GALTIERI IN ORDER TO BRING THIS ABOUT, THE PROSPECTS FOR A PEACEFUL AND NEGOTIATED SETTLEMENT WOULD BE IMMEDIATELY TRANSFORMED. ENDS.

2. WITH REFERENCE TO PARA 4 OF YOUR TELNO 186, YOU SHOULD (UNLESS YOU CONSIDER THAT THIS WOULD BE COUNTER-PRODUCTIVE) GO ON

TO SAY THAT WE UNDERSTAND THE DIFFICULTY OF PERU'S POSITION AND THE PROBLEMS FOR THE PRESIDENT FROM PERUVIAN ARMED FORCES' LINKS WITH ARGENTINA. BUT WE WOULD TAKE A VERY SERIOUS VIEW OF ANY PERUVIAN ACTION TO PROVIDE MILITARY SUPPORT FOR ARGENTINA, WHICH WOULD ONLY HELP ARGENTINA TO SUSTAIN AND CONSOLIDATE ITS UNLAWFUL AND UNPROVOKED AGGRESSION. SUCH ACTION COULD ONLY MAKE A PEACEFUL NEGOTIATED SETTLEMENT HARDER TO ACHIEVE.

3. MIFT GIVES THE TEXT OF THE LINE WHICH WILL BE TAKEN BY NEWS DEPT AT 1130Z TODAY.

PYM

PS PS/IR HURD PS/MR CMSLOW PS/PIJS MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS LORD N G LENNOX LORD BRIDGES MR GILLMORE HD/PUSD HD/S AL D HD/DEF DEPT HD/KEWS DEPT HD/ERD ED/ECD(E)HD/UD HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 EMERGENCY ROOM

PS/NO 10 DOWNING ST (2)

PS/S OF S FOR DEFENCE

MR J STEWART AUSD STAFF MOD

PS/CHANCELLOR )

MR LIETT . ) 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

Muss Dickson, D/ENERGY

[ Passed to E.R.]

LINDIAZ UOJ

RR BERNE

PECIDENT CLERK

GRS 100
CONFIDENTIAL
FM UKMIS GENEVA 211420Z MAY 82
TO IMMEDIATE FCO
TELNO 261 OF 21 MAY 1982
AND TO IMMEDIATE MODUK
INFO BRASILIA, MONTEVIDEO, BERNE

IMMEDIATE COPY

MY TELNO 256: TELECON HART/HOOD: ASTIZ

- 1. JOSSERON (ICRC) CALLED TODAY TO ASK WHETHER A

  DECISION HAD YET BEEN TAKEN ON THE POSSIBLE TRANSFER OF ASTIZ TO

  LONDON SINCE ICRC ARE NOW VERY ANXIOUS TO VISIT HIM. IF NECESSARY

  THEY ARE READY TO GO TO ASCENSION.
- 2. JOSSERON ALSO HANDED OVER A NOTE (TEXT BY BAG TO FCO)
  FORMALLY REQUESTING INFORMATION RELATING TO THE DEATH ON SOUTH

FORMALLY REQUESTING INFORMATION RELATING TO THE DEATH ON SOUTH GEORGIA OF ARTUSO. THIS WAS NOW URGENT SINCE NEARLY A MONTH HAD PASSED SINCE THE INCIDENT.

MARSHALL

NNNN

SENT/RECD AT 211430Z MDH/PA

From: THE PRIVATE SECRETARY



HOME OFFICE OUEEN ANNE'S GATE LONDON SWIH 9AT

21 May 1982

Dear Mr Cales

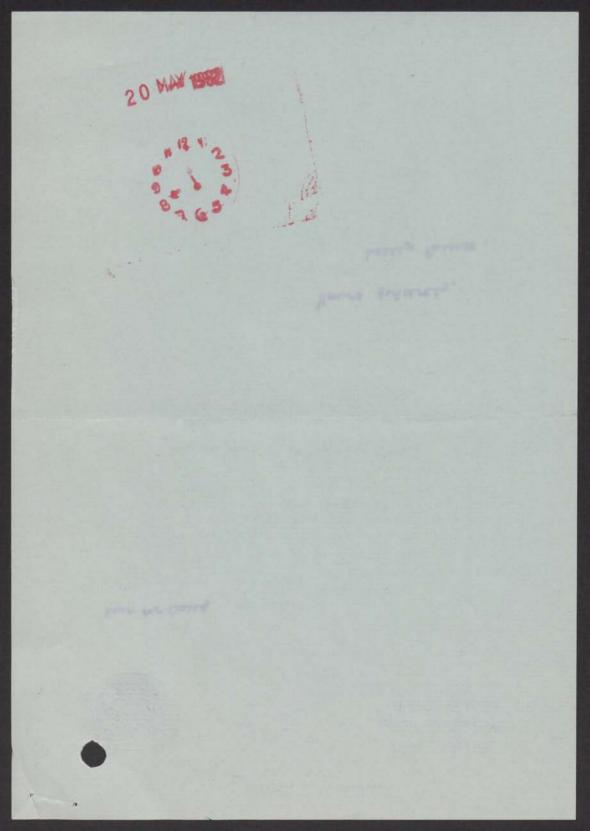
h.a. Prime Nimited

As you will know, it was agreed that the Argentinian Nobel Peace prize winner Senor Esquivel should be issued with a visa to enable him to make a short visit to the United Kingdom. We have made this known through letters to Dame Judith Hart and Lord Brockway, copies of both of which are enclosed.

Copies of this letter and its enclosures go to the Private Secretaries to the Foreign Secretary and the Secretary of State for Defence.

Yours screeny, MRS L PALLETT

A J Coles, Esq.



QUEEN ANNE'S GATE LONDON SWIH PAT ( May 1982 You raised in the Commons the Question of Senor Esquivel's application for a visa to come to this country. I am writing to let you know that I have now reached a decision on the application and Senor Esquivel will shortly be issued with a visa for a short visit. I understand that he was last known to be in Rome. We are not aware of his present whereabouts and if you are able to give my Private Secretary this information my officials will ensure that the visa authorisation is forwarded to the nearest United Kingdom mission. I have today informed Lord Brockway of is Madely my decision. Rt. Hon. Dame Judith Hart, M.P.

QUEEN ANNE'S GATE LONDON SWIH 9AT May 1982 You have expressed an interest in the visa application made by Senor Adolfo Perez Esquivel on 5 May in Buenos Aires to spend a short visit in the United Kingdom. I have now decided that Senor Esquivel's application should be authorised; a short visit visa will be issued as soon as my officials are informed of his present whereabouts. In reaching my decision, I have taken account of Senor Esquivel's background and the purpose of his proposed visit as outlined in your recently tabled Question, but I would wish to stress that at no time was it decided that his visa should be refused. I have today informed Dame Judith Hart of my decision in this case. The Lord Brockway

### 29 Ladbroke Grove London W11 3BB 01-727 2288

A.J.C.7/s

May 21,198 2

Dear Mr Coles,

Imhir.

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Just to confirm my telephone conversation with you on west might.

The last pare may just from they add sime thing to your knowledge of how the secretary general presents humself or is

James over. Dugh Thomas



### 10 DOWNING STREET

John

I sent a copy of the attached telegram to the FGO Emergency Unit.

Thave asked for a translation along with advice and a draft reply for the PM's signature.

Steve 22/5/82

British

T110A/82

ZCZC LFT104 CLF3924 TCB108 GDA003 PBA142008 PBA142005 TXK1410036

GEXX CO DISI 330 ITOLB

NTODOMINGODR 330/311 21 0923 TXK1410036

E CENETISIMA SENORA MARGARET THATCHER PRIMER MINISTRO DEL REINO UNIDO DE GRAN BRETANA E IRLANDA DEL NORTE LONDONSW1



British

0

shown in your dialling instructions

for enquiries dial the number

EL GOBIERNO DE LA REPUBLICA DOMINICANA COMA CON MOTIVO DE ULTIMAS DECLARACIONES DEL SENOR SECRETARIO GENERAL DE LAS NACIONES UNIDAS COMA SE SIENTE IMPELIDO A MANIFESTAR SU GRAN PREOCUPACION POR EL PROBLEMA DEL ATLANTICO SUR COMA EL INVOLUCRA A DOS ESTADOS AMIGOS COMA COMO SON EL REINO UNIDO DE GRAN BRETANA E IRLANDA DEL NORTE Y LA REPUBLICA ARGENTINA DE MANERA MUY ESPECIAL PORQUE LA REPUBLICA DOMINICA VE CON HONDA PREOCUPACION QUE LAS GESTIONES REALIZADAS HASTA HAN PODIDO LOGRAR FORMULAS DE SOLUCION A CONFLI AHORA NO PRESIDIR PLEBLO PUNTO EL GOBIERNO QUE ME HONRO EN Y EL REPUBLICA DOMINICANA NO VACILARAN EN CONTINUAR DANDO SU RESPALDO COMA TANTO MORAL COMO JURIDICO COMA A FIN DE PRECITADA SOLUCION PUNTO TODAVIA CONFIO WSURJA UNA NUECA FORMULA QUE DETENGA LA CONFRONTACION BELICA Y SALVE ASI DE LA CATASTROFE A LA COMUNIDAD MUNDIAL Y ERMITA QUE SE REAFIRMEN LOS PRINCIPIOS DE LA CARTA DE LA ORGANIZACION DE LAS NACIONES UNIDS CON SIN DESMEDRO DE LOS ESTABLECIDOS POR EL SISTEMA REGIONAL INTERAMERICANO PUNTO DENTRO PRONUNCIAMIENTO COMA LA POLITICA EXTERIOR DE GOBIERNO MI SEGUIRA MANUFESTANDOSE SIN VACILACIONES COMA ANSIOSO DE QUE SE REAFIRMEN ESOS PRINCIPIOS COMA LOS CUALES CONSTITUYEN LA DE PAZ Y DE LA UNION ENTRE TODOS LOS ESTADOS COMA DE QUE SE RESTABELZCA LA NORMALIDAD A TRAVES DE LAS NEGOCIACIONES FORMULAR A VUESTRA E CELENCIA UN LLAMAMIENTO HAGA UN ESFUERZO SUPREMO PARA PRESERVAR LA QUE SE PAZ Y PARA QUE SE CONTINUEN LAS NEGOCIACIONES CON MIRAS A LOGRAR UN ENTENDIMIENTO JUSTO CIOMA DIGNO Y HONORABLE PARA PARTES PUNTO SALUDA A VUESTRA EXCELENCIA CON Y DISTINGUIDA CONSIDERA CION PUNTO

ANTONIO GUZMAN PRESIDENTE DE LA REPUBLICA DOMINICANA

British -

shown in your dialling instructions

for enquiries dial the number

T 110/82 EMBAJADA DE COLOMBIA The FCO will supply a draft reply on Manday

Steve Seary

Duty Clock NFORMAL TRANSLATION

Bogota, 21st May 1982.

The Rt. Hon. Margaret Thatcher, MP Prime Minister London

Dear Prime Minister,

Your Government is well aware of the position that the Colombian Government has adopted in the conflict between your country and Argentina on the sovereignty of the Malvinas Islands. We did not agree to the convocation of the Organ of Consultation as we felt that before trying to apply the measures provided for in the TIAR (Interamerican Treaty for Reciprocal Assistance) it was absolutely essential to exhaust every political, juridical and diplomatic resource in order to avoid a war of unforeseeable consequences, not only because of the number of innocent victims that would be sacrificed in an armed confrontation, but also because of the very serious tensions that would arise between your country and Latin America, a continent that shares the defence of the worldwide democratic system with the United Kingdom.

I know that the first military clashes between the Argentines and the British have already taken place, and I regard the escalation of the war and its fatal consequences with horror. My Government believes that democratic nations have the obligation of strengthening the system against the risks threatening it and, in our opinion, this aim is not achieved by weakening ourselves in unproductive wars involving

#### EMBAJADA DE COLOMBIA



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a lot of bloodshed, but rather through endowing ourselves with the necessary patience to persevere in dialogues until it is possible to find suitable meeting points which would restore the world's confidence in the elimination of the dangers of a new conflagration.

There are many formulas that could be useful, if not to resolve the whole problem from the outset, at least to make progress in new diplomatic contacts which would allow peaceful solutions to be worked towards.

I am aware that the President of Perú has sent your Government and the Argentine one a proposal which could lead to more advanced talks. This proposal or any other which might drive away the danger of war is obviously of interest to us as democrats. The Colombian Government that has always maintained a position of respect to its own juridical tradition believes that your Government will well understand the concern prompting Colombia to find peaceful solutions that would avoid the escalation of the already very dangerous conflict between the United Kingdom and Argentina.

From now on we offer the Colombian Government's assistance for the achievement of a peace formula which would be in the best interests of both Great Britain and Argentina, countries to which we feel linked by old and strong ties.

Yours sincerely,

JULIO CESAR TURBAY-AYALA
PRESIDENT OF THE REPUBLIC OF COLOMBIA



# EMBAJADA DE COLOMBIA 22 MAY 1982

London, 22nd May 1982

Sir Antony Acland, KCVO, CMG Permanent Under-Secretary of State Foreign and Commonwealth Office London, S.W.1

Dear Dir Centery

Acting on the instructions of the President of the Republic of Colombia, Dr. Julio César Turbay-Ayala, I am sending you the Spanish text as well as an informal English translation of the message that he has addressed to the Rt. Hon. Margaret Thatcher, MP, Prime Minister.

I would be very grateful if you could forward the above mentioned message to the Prime Minister at your earliest convenience.

your sincerely

Andres Restrepo Londofio
Ambassador.

Encl.

#### EMBAJADA DE COLOMBIA



C O P Y

""BOGOTA, 21 DE MAYO DE 1982 SEÑORA MARGARET THATCHER PRIMER MINISTRO DEL REINO UNIDO LONDRES.

#### APRECIADA PRIMER MINISTRO:

CONOCE BIEN VUESTRO GOBIERNO CUAL HA SIDO LA POSICION QUE EL GOBIERNO COLOMBIANO HA ADOPTADO EN EL CONFLICTO ENTRE VUESTRA PATRIA Y LA ARGENTINA ALREDEDOR DE LA SOBERANIA DE LAS ISLAS MALVINAS. NO FUIMOS PARTIDARIOS DE LA CONVOCATORIA DEL ORGANO DE CONSULTA POR CONSIDERAR QUE ANTES QUE INTENTAR APLICAR LAS MEDIDAS PREVISTAS EN EL TIAR RESULTABA ABSOLUTAMENTE INDISPENSABLE AGOTAR TODOS LOS RECURSOS POLÍTICOS, JURIDICOS Y DIPLOMATICOS PARA EVITAR UNA GUERRA DE IMPREVISIBLES CONSECUENCIAS NO SOLO POR EL NUMERO DE VICTIMAS INOCENTES SACRIFICADAS EN LA CONFRONTACION ARMADA, SINO POR LAS GRAVES TENSIONES QUE SE PRESENTARIAN ENTRE VUESTRO PAIS Y LATINOAMERICA QUE COMPARTE A ESCALA UNIVERSAL CON EL REINO UNIDO LA DEFENSA DEL SISTEMA DEMOCRATICO.

SE QUE YA SE HAN PRODUCIDO LOS PRIMEROS ENCUENTROS MILITARES ENTRE ARGENTINOS Y BRITANICOS Y CONTEMPLO CON HORROR LA EXTENSION DE LA GUERRA Y SUS FATALES CONSECUENCIAS. PIENSA MI GOBIERNO QUE LAS NACIONES DEMOCRATICAS TIENEN LA OBLIGACION DE FORTALECER EL SISTEMA CONTRA LOS RIESGOS QUE LO AMENAZAN Y DICHA FINALIDAD NO SE LOGRA A NUESTRO JUICIO DEBILITANDONOS EN GUERRAS CRUENTAS Y ESTERILES, SINO REVISTIENDONOS DE LA PACIENCIA NECESARIA PARA DIALOGAR HASTA ENCONTRAR UN PUNTO DE APROXIMACION QUE LE DEVUELVA AL MUNDO LA CONFIANZA EN LA ELIMINACION DE LOS PELIGROS DE UNA NUEVA CONFLAGRACION.

SON MUCHAS LAS FORMULAS QUE PODRIAN SERVIR SI NO PARA RESOLVER DESDE EL PRINCIPIO LA TOTALIDAD DEL PROBLEMA, POR LO MENOS PARA AVANZAR EN NUEVOS CONTACTOS DIPLOMATICOS QUE PERMITAN TRABAJAR SOBRE EL CAMINO DE LAS SOLUCIONES PACIFICAS.

ESTOY ENTERADO DE QUE EL PRESIDENTE DEL PERU HA ENVIADO A VUESTRO GOBIERNO Y AL DE LA ARGENTINA UNA PROPUESTA QUE PODRIA DAR PIE A MAS AVANZADAS CONVERSACIONES. ESA FORMULA U OTRA CUALQUIERA QUE HAGA POSIBLE EL ALEJAMIENTO DEL PELIGRO DE LA GUERRA, OBVIAMENTE ESTIMULA NUESTRO INTERES DE DEMOCRATAS. EL GOBIERNO





COLOMBIANO QUE HA OBSERVADO UNA POSICION DE RESPETO A SU TRADI-CION JURIDICA CREE QUE EL VUESTRO ENTENDERA MUY BIEN LA PREOCU-PACION QUE A COLOMBIA LE ASISTE PARA ENCONTRAR SOLUCIONES PACI-FICAS QUE EVITEN QUE SE AGRAVE EL YA BIEN PELIGROSO CONFLICTO ENTRE EL REINO UNIDO Y LA ARGENTINA.

DESDE AHORA OFRECEMOS LA COADYUVANCIA DEL GOBIERNO DE COLOMBIA PARA LA FORMULA DE PAZ QUE MEJOR SE ACOMODE A LOS INTERESES DE LA GRAN BRETAÑA Y DE LA ARGENTINA, PAISES A LOS CUALES NOS SENTIMOS UNIDOS POR VIEJOS Y FUERTES VINCULOS.

ME SUSCRIBO COMO VUESTRO CORDIAL AMIGO,

JULIO CESAR TURBAY-AYALA
PRESIDENTE DE LA REPUBLICA DE COLOMBIA."



Agentine

Mr Fearn, Emergency Unit

> Private Secretary cc: PS/Mr Onslow Mr Bullard Mr Giffard Sir I Sinclair Mr Wright Mr Gillmore Mr Mallaby, Planning Staff Mr Williams, UND Mr Fenn, News Dept Mr Weston, Defence Dept Mr MacInnes, Information Dept Lord N Gordon Lennox Sir M Palliser, Cabinet Office Mr Coles, No 10 Mr Webb, MOD

A. J. C. 5

FALKLANDS: POSITION AT THE UN

- 1. Sir A Parsons telephoned just after 6 o'clock this evening to say that the morning in New York had been taken up with an extensive wrangle amongst the members of the Security Council about a proposal from Mrs Jeanne Kirkpatrick that there should be a closed meeting of the Security Council to consider the Falklands crisis. After a two hour debate this had been rejected and a formal meeting of the Security Council will now be held at 2.30 pm New York time (7.30 pm BST) at the proposal of Argentina and Panama, with the support of Spain and the Soviet Union.
- 2. At this meeting the Secretary General is likely to begin by delivering his report. This will be followed by statements from Argentina and Sir A Parsons (who will speak for about 40 minutes). Argentine tactics are not clear yet: they may not loose off all their ammunition since Costa Mendez (and the Foreign Ministers of Panama and Venezuela) will be arriving in New York on Saturday.
- 3. Nonetheless against the widespread and excited assumption in New York that a massive invasion is under way in the Falkland Islands, the chances that a resolution calling for a cease fire will be put forward are high. Sir A Parsons will veto any unacceptable resolution, eg one calling simply for an unconditional cease fire. He will not accept anything without reference back to London. If a resolution is put which might be acceptable, with or without further amendment, he will veto if the Security Council refuses to give him time to consult London.

### STATEMENT-BY SECRETARY OF STATE FOR DEFENCE ON 21ST MAY

Following the raids which we announced earlier today British forces have now established a firm bridgehead on the Falkland Islands. Royal Marine commandos and the Parachute Regiment are now ashore in substantial numbers, with artillery air defence weapons and other heavy equipment already disembarked from our ships. These landings were unopposed. A secure land base is being consolidated.

During the night several landings and raids were made by our forces in different parts of the Falkland Islands. Some of these forces have remained ashore. Argentinian forces have suffered casualties and some prisoners have been taken. These operations continue.

As we expected our ships have come under heavy air attack - 5 have been damaged, 2 seriously. There will have been British casualties but we have no details. Our Harriers and missiles have destroyed 7 Mirage, 5 Sky Hawks and 2 Puccaras. 2 Argentine helicopters - a Chinooth and a Puma have been destroyed on the ground. We have lost 2 of our small helicopters.

7 weeks after the Argentine aggression, British forces are tonight firmly established back on the Falkland Islands.

I will make a fuller statement tomorrow - and take questions at that time.

We have had some further reports since Mr Nott made his statement earlier this evening. One of the Task Force Harriers which was providing air support to our land forces is missing. In addition to the Argentine aircraft losses announced by Mr Nott 2 Argentine Mirage aircraft and 1 Puccara aircraft have been shot down. In Mirage aircraft has also been damaged in action. This means that the total current reported losses to the Argentine Air Force are: 9 Mirage aircraft, 5 Sky Hawks and 3 Puccara aircraft with 1 Mirage also damaged in action.

The Task Force has landed a number of raiding parties on the Falkland Islands during the night.

These raids are still in progress. Early indications are that they are achieving their objectives. Bombardment from ships in the Task Force continued in the vicinity of Port Stanley and other areas in East Falklands.

Harriers from the Task Force have mounted attacks in the Fox Bay area. All these activities have been directed against Argentine military targets including fuel and ammunition dumps and military stores.

Sadly in the course of a transfer of personnel between ships in advance of these operations a Royal Navy helicopter with 30 men on board met with an accident and ditched. Nine of those on board were rescued. One dead body was recovered. Twenty are missing, presumed dead. The next of kin have been informed.

ADVANCE COPIES: FALKLAND ISLANDS GENERAL (43 PE (6) PS/NO 10 DOWNING ST (2) PS/IR HURD PS/S OF S FOR DEFENCE PS/MR OMSLOW MR J STEWART AUSD STAFF PS/PIJS · MR BULLARD PS/CHANCELLOR SIR I SINCLAIR TREASURY BR ILETT ... MR GIFFAFD MR LITTLER MR WRIGHT SIR R ARMSTRONG MR ADAMS SIR M PALLISER CABINET LORD N G LENNOX IMMEDIATE MR WADE-GERY OFFICE LORD BRIDGES MR FULLER SAPU/DIO MR URE DIO. MR GILLMORE HD/PUSD (2) RM 8 FOR MODUK C IN C FLEET HD/S ALL D HD/DEF DEPT Mus Dickson, D/ENERGY HD/KEWS DEPT HD/EPD ED/ECD(E)HD/UD HD/PLANNING STAFF [ Passed to E.R.] LR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK GRS 200 RESTRICTED (FM BERNE 212015Z) FM BRITISH INTEREST SECTION BUENOS AIRES TO IMMEDIATE FCO TELNO 118 OF 21 MAY REQUEST FOR TELEVISION INTERVIEW WITH PRIME MINISTER

1) DANIEL MENDOZA, WELLKNOWN TELEVISION INTERVIEWER FROM CHANNEL

13. THE MOST INDEPENDENT OF THE FOUR BUENOS AIRES TELEVISION NETWORKS, WHO RECENTLY INTERVIEWED SIR ANTHONY PARSONS AT THE UN, CALLED ON ME THIS MORNING THE REQUEST AN EARLY OPPORTUNITY TO INTERVIEW THE PRIME MINISTER FOR HIS PROGRAMME. HE SAID HE UNDERSTOOD THE BBC HAD REQUESTED AN INTERVIEW WITH GALTIER! THOUGH HE DID NOT KNOW THE RESULT. HE BELIEVED IT WOULD BE HELP-FUL FOR THE ARGENTINE TELEVISION AUDIENCE TO HAVE THE OPPORTUNITY OF SEEING THE PRIME MINISTER IN A QUESTION AND ANSWER INTERVIEW.

2) CHANNEL 13 CAMERAS HAD FILMED HIS ARRIVAL AT THE INTERESTS

2) CHANNEL 13 CAMERAS HAD FILMED HIS ARRIVAL AT THE INTERESTS OFFICE AND , IF THE ARGENTINE GOVERNMENT AGREED HE PROPOSED TO ANNOUNCE HIS REQUEST, TOGETHER WITH MY REACTION LATER TODAY.

- Control of the FREE State of the State of

- 3) MENDOZA HAS SPENT CONSIDERABLE TIME IN BRITAIN, PROFESSES TO BE AN ANGLOPHILE IN SPITE OF CURRENT DIFFERENCES AND SPEAKS EXCELLENT ENGLISH, I TOLD HIM SIMPLY THAT I WOULD TRANSMIT THE REQUEST BY THE FASTEST POSSIBLE MEANS. HE SAID HE WOULD BE IN TOUCH WITH ME ON MONDAY TO SEE WHETHER THERE WAS ANY REPLY.
- 4) IN FURTHER DISCUSSION HE INDICATED THAT HIS QUESTIONS WOULD CONCENTRATE ON THE CENTRAL ISSUES OF THE REASONS FOR BRITISH ATTITUDES AND ACTIONS OVER THE ISLANDS. HE THOUGHT A FIFTEEN MINUTE INTERVIEW WOULD BE AMPLE.
- AND, ALTHOUGH IT WAS FAIR IN THE CONTEXT, HE HAD THE ADVANTAGE OF HIMSELF TRANSLATING AND ADDING COMMENTS IN SPANISH WHICH INEVITABLY SLAHTED THE PRESENTATION IN ARGENTINA'S FAVOUR. IF THIS REQUEST IS GRANTED I WOULD RECOMMEND CAREFUL CONTROL OF TRANSLATION, THOUGH OF COURSE ADDITIONAL COMMENTS CAN ALWAYS BE INSERTED LATER. ON BALANCE, HOWEVER, AND SEEN FROM HERE, SUCH AN INTERVIEW COULD BE WORTHWHILE.

  JOY.

UNQUOTE

NNNN

LEE .

SENT:/RECD AT 212039Z JMM/JW

PRIME MINISTER I have just been to a meeting with CDS. Things are going smoothly as far as we know. But information is very limited because radio silence is naturally being maintained. One Argentine company has surrendered. There seem to have been (but the information is rather scanty) a number of air attacks. Three of our ships have had minor repeat minor damage. Subject to confirmation, the other side have lost one Skyhawk, one Mirage and one Pucara. There has been an informal meeting of the Security Council this afternoon. There could be a formal meeting later today. Tony Parsons has all the instructions he needs. We are talking to the Americans and French about them using their veto if necessary. We shall arrange for an up to date report from the MOD to be available on your return at about 9.30 pm. Otherwise things are quiet and there is no need for Ministerial decisions. JOHN COLES 21 May 1982

ADVANCE COPIES: FALKLAND ISLANDS GENERAL (88) (43)

PS/IR HURD PS/MR OMSLOW PS/PIJS · · MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS LORD N G LENNOX LORD BRIDGES LR UPE ER GILLLORE HD/PUSD HD/S AL! D HD/DEF DEPT HD/KEWS DEPT HD/ERD ED/ECD(E)HD/UD HD/FLANNING STAFF MR ANTHONY WILLIAMS W60 BLERGENCY ROOM RESIDENT CLERK

GRS 350A RESTRICTED

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FM COPENHAGEN 21/1330Z MAY 82 TO PRIORITY FCO TELEGRAM NUMBER 143 OF 21 MAY PS/NO 10 DOWNING ST (2)

PS/S OF S FOR DEFENCE

MR J STEWART AUSD STAFF MOD

PS/CHANCELLOR )

PS/CHANCELLOR )

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

Muss Dickson, D/ENERGY

[ Passed to E.R.]

OVANCE COPY

YOUR TELNO 41: FALKLAND ISLANDS: WINSTON CHURCHILL/ARGENTINE AMBASSADOR DEBATE

1. MR WINSTON CHURCHILL (WHOSE PROPOSED VISIT TO COPENHAGEN WAS REPORTED IN ADVANCE) CAME HERE TO GIVE A PUBLIC LECTURE UNDER THE AUSPICES OF AN ENGLISH LANGUAGE TEACHING INSTITUTE. AS TOO SMALL AN AUDIENCE WANTED TO HEAR MR CHURCHILL ON SECURITY OF THE WEST, HE SUGGESTED THAT HE SPEAK ON THE FALKLANDS CRISIS AND THE ORGANISER SUBSEQUENTLY TURNED THIS INTO A DEBATE WITH THE ARGENTINE AMBASSADOR WHICH ATTRACTED AN AUDIENCE OF SOME 300 PEOPLE AND EXTENSIVE MEDIA COVERAGE. DANMARKS TV DID NOT TRANSMIT ANY OF THE DEBATE, PREFERRING TO SHOW A

DID NOT TRANSMIT ANY OF THE DEBATE, PREFERRING TO SHOW A SEPARATE INTERVIEW WITH MR CHURCHILL. AS YOU KNOW, BBC TELEVISION WERE ALSO THERE. A FEW AMBASSADORS AND OTHER DIPLOMATS ATTENDED, WE WERE REPRESENTED BY SECOND SECRETARY.

2. THE INTEREST IN DENMARK REFLECTED THE FACT THAT THIS WAS THE FIRST SUCH DIRECT EXCHANGE SINCE THE ARGENTINE INVASION AND ALSO EXPECTATION OF FIREWORKS AS MR CHURCHILL IS KNOWN HERE AS A HAWK. THE POINT WAS TAKEN THAT MR CHURCHILL IS A BACK-BENCHER, NOT A GOVERNMENT SPOKESMAN. HE DECLINED BRIEFING IN THE FCO AND WE HAD TIME ONLY TO ADVISE HIM (WITH A VIEW TO RENEWAL OF THE IMPORT BAN) AGAINST SEEMING TO PREFER DRASTIC ACTION TO A NEGOTIATED SOLUTION. HIS PUBLIC STATEMENT WAS, IN FACT, RELATIVELY RESTRAINED, ALTHOUGH A LEADING MODERATE CONSERVATIVE WEEKLY PAPER HERE TODAY CRITICISES HIS EQUATION OF OUR CONFLICT WITH HITLER'S GERMANY AND WITH ARGENTINA AND COMPLAINS THAT HE WAS NOT WELL—INFORMED ON SPECIFICALLY FALKLAND MATTERS.

3. MR CHURCHILL WON THE DEBATE ON POINTS, THE AMBASSADOR
BEING HANDICAPPED NOT ONLY BY HIS CASE BUT LINGUISTICALLY
AND IN LACKING DEBATING EXPERIENCE. HE ALSO OVER-REACTED
WHEN MR CHURCHILL ATTACKED HIS GOVERNMENT. THE EVENT WILL
NOT HAVE DONE US ANY HARM AND PROBABLY SOME GOOD. BUT WE DOUBT
WHETHER IT GREATLY INFLUENCED DANISH ATTITUDES TO THE FALKLANDS
CRISIS, WHICH REMAIN LARGELY SYMPATHETIC TO US AND OPPOSED TO THE
JUNTA.

WARBURTON

NNNN

SENT AT 21/1545Z MGD

XEROX COPIES

FCO	
PS /	HIDA
PS/PUS	TORD
MR BULL	
MR HANN LORD BR	-

RESIDENT CLERK

PLUS PCO

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D.O.T.

PLUS OGDS

MR R GRAY MR R H S WELLS WEG

H M TREASURY SIR K COUZENS MR ASHFORD

CABINET OFFICE

MR D M ELLIOTT

MR D HANCOCK

MR A M GOODENOUGH MR. S. WENTWORTH

> MAFF SIR B HAYES

RR ROME

AR DUBLIN

RR BOHN

36 MAY HANDATE

DUBLIN BONN

MMEDIATE COPY GR\$ 38¢ . UNCLASSIFIED FRAME GENERAL FM PARIS 2116952 WAY 82 TO INMEDIATE FCO TELEGRAM WUMBER 532 OF 21 MAY 1982 INFO IMMEDIATE UKREP BRUSSELS INFO ROUTINE ATHENS BRUSSELS COPENHAGEN THE HAGUE LUXEMBOURG ROKE

CHEYSSON, SPEAKING IN MIAMEY WHERE HE IS ACCOMPANYING MITTERRAND OR A STATE VISIT TO HIGER, APPEARS TO BE CONTINUING MITTERRAND'S TACTIC OF BROADENING THE DISPUTE. WHILE IN NIAMEY CHEYSSON ANNOUNCED THAT HE WOULD RETURN TO ATTEND THE FOREIGN AFFAIRS COUNCIL

ANHOUNCED THAT HE WOULD RETURN TO ATTEND THE FOREIGN AFFAIRS COUNCIL NEXT MONDAY.

- READY TO DISCUSS ANY ADJUSTMENTS TO THE TREATY OF ROME FOR BRITAIN.
  CHEYSSON CLAIMED THAT IT WAS HE WHO SUGGESTED TO MITTERRAND THAT
  HE SHOULD INCLUDE A REFERENCE TO THE DATUFE OF BRITAIN'S PRESENCE
  IN THE COMPUNITY IN HIS ALGIER'S STATEMENT (MY TEL NO 500). HE
  DECLARED HIMSELF FULL OF IDEAS ABOUT THE FORM WHICH THESE SPECIAL
  ARRANGEMENTS MIGHT TAKE, AND REFERRED IN HIS DISCUSSION TO THE
  DIFFERENT FINANCIAL ARRANGEMENTS APPLICABLE WITHIN THE ECSC AND
  BRITAIN'S POSITION IN THE EMS. BRITAIN NEEDED A LARGE MARKET, HE
  SAID, SO THAT IT WOULD BE DIFFICULT FOR HER TO ENVISAGE WITHDRAWING
  FROM THE COMMUNITY. HE THOUGHT THAT THE PRESENT DISPUTE BETWEEN
  BRITAIN AND HER PARTNERS WAS LIKELY TO BE BROUGHT SEFORE THE
  EUROPEAN COURT EITHER BY BRITAIN, THE COMMISSION, THE COUNCIL OF
  MINISTERS OR ONE OF THE MEMBER STATES,
- MINISTER'S MEASURED REPONSE TO THE OUTCOME OF THE AGRICULTURE COUNCIL AND TO STRESS THE IMPORTANCE OF THE FOREIGN AFFAIRS COUNCIL ON MONDAY. PRESS REPORTING IS STILL CENTRED ON THE THEME THAT BRITAIN WUST MAKE A CHOICE BETWEEN STAYING IN THE COMMUNITY OR GETTING OUT. EXPRESSIONS OF GENERAL SUPPORT FOR MITTERRAND'S STAND ARE QUOTED FROM ALL PARTS OF THE POLITICAL SPECTRUM, THOUGH THE GAULLISTS CONTINUE TO EXPRESS ANXIETY ABOUT THE CONSEQUENCES FOR FRANCE OF THE BREACH OF THE LUXEMBOURG COMPROMISE.
- A. IN THIS AFTERNOON'S LE MONDE MAURICE DELARUE, USUALLY WELL
  BRIEFED BY THE QUAI D'ORSAY, SPECULATES ON WHAT CHEYSON'S
  IDEAS FOR SPECIAL ARRANGEMENTS FOR THE UK MIGHT BE. RECALLING
  GISCARD'S ALLEGED IDEAS IN 1979 FOR "ASSOCIATION PARTICIPATION"
  HE WRITES: "ECONOMICALLY BRITAIN WOULD BE ASSOCIATED WITH, BUT
  MOT INTEGRATED IN, THE COMMUNITY, SOME PREFERENCE WOULD OPERATE
  BETWEEN BRITAIN AND THE EC BUT THERE WOULD NOT BE COMPLETE FREE
  TRADE, POLITICALLY, BRITAIN WOULD COOPERATE WITH THE OTHER STATES
  OF THE COMMUNITY AS SHE DOES TODAY, THERE IS EVERY REASON TO
  BELIEVE THAT IT IS A FORMULA OF THIS KIND, WHICH MAY BE SUBJECT TO
  A NUMBER OF VARIANTS, THAT M CHEYSSON HAS IN MIND,"



n. whiere For lyprako. Only Rome T. Var Marke no py 89 broadcast to the Maho-Here is his lor drogt 1 Lane bin wordy for Las a copy. es. 215.

As I expect you will have heard, the Commander of the British Task

Force in the South Atlantic, Rear-Admiral Woodward, with the full
authority of the British Government and supported by an overwhelming
majority of the Members of the House of Commons, today moved to
liberate the Falkland Islands from the invader, to take back by
force what was taken from us by force on the 2nd of April by
the military dictatorship of Argentina.

We come to this action, not in any spirit of vainglory or false pride, but with the greatest possible reluctance. This is no roar of defiance from the British people or their democratically elected Government.

We are only too familiar with the reality of war. We know its hazards and its dangers. We know the formidable task that faces our fighting men.

But we know this too. That when those things for which our country has stood and, when necessary, fought down the centuries are once more threatened by a regime with a notorious record in the field of human rights; when what has been British territory for almost 150 years is seized and occupied by that regime; and when not only British land but British citizens are in the power of an aggressor, then we know what we must do. We will try in every possible way to keep the casualties on either side to the absolute minimum, but what must be done we will de let the country to the country to the country to the casualties on either side to the absolute minimum, but what must be done we will de let the country to the country to the country to the casualties on either side to the absolute minimum, but what must be done we will de let the country to the country to the casualties on either side to the absolute minimum, but what must be done we will de let the country to the country to the casualties of the casualties

We no longer have any alternative.

For seven weeks we have sought a peaceful solution by diplomatic means; through our Ambassadors; through the good offices of our close friend and ally, the United States; through the unremitting efforts of the Secretary General of the United Nations.

we have studied seven sets of proposals. Without compromising our legal or constitutional tradition we have made a variety of suggestions and tactical changes in the effort to avoid conflict. and loss of life. We have worked tirelessly for a peaceful solution. But when there is no response of substance from the other side, there comes a point when it is no longer possible to trust the good faith of those with whom one is negotiating.

Playing for time is not working for a peaceful solution. Wasting time is not willing a peaceful solution. It would be a betrayal of our fighting men if we continued merely to talk when talk without action has led nowhere.

There have been one or two questioning voices raised here at home in recent weeks that I would like to answer. It has been suggested that the size of the Falkland Islands and the comparatively small number of its inhabitants - some 1800 men, women and children - should somehow affect our reaction to what has happened to them.

To those - not many - who speak lightly of a handful of Islanders beyond the seas and who have even asked the question: "are they worth fighting for?" let me say this: right and wrong are not

measured by a head-count of those to whom that wrong has been done. That is not principle, that is expediency.

And the Falklanders, remember, are not strangers. They are our own people. As the Prime Minister of New Zealand put it in:

The Times: "With the Falkland Islands, it is family."

When their land was invaded and their homes overrun, they naturally turned to us for help and we, their fellow citizens, 8,000 miles away in our much larger islands, could not and did not beg to be excused.

We sent our men and our ships with all speed, hoping against hope that we would not have to use them in battle but prepared to do so if all attempts at a peaceful solution failed. Now that those attempts have failed, we cannot sail by on the other side.

And let me add this. If we, the British, were to shrug our shoulders at what has happened in the South Atlantic and acquiesce in the illegal seizure of those far-away islands, it would be that a signal to those with similar designs on the territory of others to follow in the footsteps of aggression.

Surely we, of all people, have learnt the lesson of history: that appeasement of an aggressor is to invite aggression elsewhere, and on an ever-increasing scale.

Other voices - again only a few - have accused us of clinging to the thought and that colonialism or even imperialism. Let me remind them that the

British have a record of leading former colony after former colony to freedom and independence that is second to none. We cling, not to colonialism, but to the right.

We have no quarrel with the ordinary people of Argentina. For them we feel nothing but friendship and goodwill. But the attack launched in their name by their present leaders against our people in the Falkland Islands cannot and will not be allowed to go unchallenged.

Let us, then, draw together in the name not of jingoism but of justice. For our cause is just. It is the cause of democratic freedom, and the rule of law. It is the cause of support for the weak and innocent against aggression by the strong.

And let our nation, as it has so often in the past, remind itself and the world, calmly, quietly and without heroics, "this above all, to thine own self be true".

Azentina 10 DOWNING STREET 21 May 1982 From the Private Secretary FALKLAND ISLANDS: 1971 COMMUNICATIONS AGREEMENT Thank you for your letter of 19 May. The Prime Minister has noted its contents. I doubt whether it is necessary to distribute your letter and enclosure to members of the Cabinet beyond the members of OD(SA) who already have them. I am copying this letter to David Wright. A. J. COLES J.E. Holmes, Esq., Foreign and Commonwealth Office.

SAPU(82) 24

# SOUTH ATLANTIC PRESENTATION UNIT (SAPU)

The attached paper contains information and suggested lines to take on the following -

- 1. MOD Official Statement at noon today
- 2. Mr Pym's interview on this morning's "Today" programme
- 3. The UN Secretary General
- 4. The Peruvian Proposals
- 5. Effect of Economic Pressure on Argentina

Cabinet Office

21 May 1982

The Task Force has landed a number of raiding parties on the Falkland Islands during the night.

These raids are still in progress. Early indications are that they are achieving their objectives. Bombardment from ships in the Task Force continued in the vicinity of Port Stanley and other areas in East Falklands.

Harriers from the Task Force have mounted attacks in the Fox Bay area. All these activities have been directed against Argentine military targets including fuel and ammunition dumps and military stores.

Sadly in the course of a transfer of personnel between ships in advance of these operations a Royal Navy helicopter with 30 men on board met with an accident and ditched. Nine of those on board were rescued. One dead body was recovered. Twenty are missing, presumed dead. The next of kin have been informed.

2. MR PYM : TODAY PROGRAMME : FRIDAY 21 MAY 1982 Military Proposals Our strategy all along as you know has been to put on the squeeze and increase it diplomatically, militarily and economically and that will continue. So is it fair to say when you talk of attrition that there is no question of a full-scale assault yet that it will be a series of perhaps smaller assaults. How he deals with his forces is a matter for the Commander-in-Chief butI myself would expect aseries of raids rather like we saw on Pebble Island the other day and what we have heard about in recent days I imagine there will be an increase of that sort of activity but the actual decisions of course remain with the Commanderin-Chief Diplomatic Prospects
Q: With all this does this mean that negotiations are now definitely at an end? I would not say that at all. We know the Secretary-A: General has concluded his attempts and thatsounfortunate but possibly right. But we remain open all the time to further possible negotiations. It may be that Argentina will changeher mind. The door must always be open to that. At the end of the day whatever happens there will have to be a negotiated settlement of some kind and we hope it comes sooner but that doesn't look very likely. Why Withdraw British Proposals? Indeed, Mrs Thatcher has withdrawn the British proposals. Was it necessary actually to withdraw them this does seem to have cut off any hope of continuing the talks? You must remember that the circumstances surrounding A: each negotiation are different. There were a different set of proposals when Mr Haig started negotiating and then when the Peruvians came into it the circumstances were different and the offer we made last Monday was done in the circumstances appertaining at that time. /Well

Well, now they are beginning to change but I think everybody has been pleased to see the length at which we were prepared to go. The flexibility we have shown in trying to achieve a peaceful settlement. We are always open to suggestions but what is necessary is for the Argentines to change their minds. They invaded the Island, they've no right to be there. They are under an obligation from the United Nations to go. They show no sign of it. All they have to do is to adhere to the terms of Resolution 502 and get off the Island and then peace can break out again.

There is a suggestion to the length at which we will be support to the seed of the Island and then peace can break out again.

Q: There is a suggestion that perhaps we have lost some world support during all these weeks of negotiations. That it might have been better to have given up earlier and to have gone in and got it over. What do you say to that Mr Pym?

A: I don't know where you got that idea from.

We have got a very great deal of support all around the world because lots of other countries in all continents understand very well what we are doing. They realise that if aggression is allowed to pay then there is a lack of stability all round the world and when we have achieved our objectives there will be a sigh of relief everywhere and the reason we are getting support is because every other country particularly the small ones but even some larger ones realise that the principles that we have at stake here, and the action we are taking is something which affects them directly.

Q: I think people got the idea of a falling off of support from the EC who have not given the support to sanctions on this occasion that they did on the original occasion.

A: Whereas that is quite true - and I said in the House of Commons last night - that actually the degree of solidarity and the strength of the support in the governments of the countries of the Community are a great deal stronger than one would have thought from reading the British press. I think the press was quite fair in saying that it was only continued for a week instead of for a month but you must remember that Foreign Ministers

are meeting again next Monday and I have no doubt that even though it isn't on the agenda they will wish to review the situation and I will certainly bring them up to date. Domestic Support What about the position at home Mr Pym. you feel that your position has been weakened by the differences with the Labour Party and in particular that vote last night where you had about 33 Labour MPs voting against you? Not at all. There has been a very broad measure of support in the House of Commons and one has expressed gratitude for that and there is undoubtedly a great deal of support in the country. And the fact that 33 Labour members decided to vote Inthink indicates in fact the small numbers of those wno disagree. No, I would like to say that the feeling of unanimity, the strength of the support the government has received in the House of Commons is a most important feature in the conduct of the whole operation and I do feel that the whole nation is behind what we are doing. Long-Term Future Now you mentioned earlier that sooner or later negotiations obviously must start again. Now assuming that we have to retake the Falklands will we resume discussions with Argentina the discussions that were going on before the invasion took place? A: I think that is going to happen at any time but you see that makes my point. The circumstances then would be quite different from what they are now or what they were last week. It may be that we shall repossess the Islands. It may be that we shall take them by force and if we do that then we are in a totally new situation. But its still a possibility in that situation that if the Islanders themselves agree the Islands could still be handed over to Argentina. Certainly not unless the Islanders so decided which seems extremely unlikely. What you have to realise is that when all this is over they have got to re-establish themselves. They have got to rehabilitate themselves. /and

And it will take some time I think for them to take a view about what they would like for their future. There are a number of possibilities. They have got to think of their security. I would have thought that they would wish to stay as they always have British.

Q: During that period as you say it might take some time. Does this mean that we will probably have to keep a substantial garrison on the Falklands so this sort of thing doesn't happen again?

A: Well, it may be. I don't know how substantial. In the context of the agreement we have been hoping to negotiate we vizualise that other countries, third parties, would come in and hold the peace in the mean time but if that is not going to happen and we are going to repossess the Islands then of course we have got to provide adequate protection for them. I myself think it is very unlikely that the Argentines would want to do again what they would have justhave then failed to achieve but we have certainly got to look to the defences and I think this is an important aspect to the long term future and I would hope that eventually we can come to some arrangement with other countries in the South American hemisphere so that the protection of the Islands can be shared but all that is for the future and it remains to be seen

### 3. The UN Secretary General

Mr Perez de Cuellar announced in his letter of today to the President of the Security Council that his efforts did not "offer the present prospect of bringing about the end to the crisis". He reported that substantial progress was achieved in the last two weeks towards a diplomatic solution but "I must now state that the necessary accommodations which were still needed to end the conflict have not been forthcoming .... I would like to assure you of my continuing commitment to the search for a lasting resolution to this problem".

We welcome this commitment and will continue to remain closely in touch with the Secretary General. As Mr Pym said in the House, before the Secretary General's announcement that he was bringing his active mediation to an end, "he deserves in this the constructive support of all members of the UN and he will certainly continue to get it from us".

### 4. New Peruvian Proposals

The President of Peru has announced a renewed attempt to contribute to a settlement of the present crisis. His proposals are brief and are concerned with how to reach agreement rather than with the substance of an agreement. They do not, therefore, in present circumstances, seem to point to the way forward; but the Government's attitude is that it remains interested in negotiations. If Argentina were to demonstrate a genuine change of position, including readiness to withdraw in accordance with Security Council Resolution 502, the prospects for negotiations would be transformed.

### 5. Effect of Economic Pressure on Argentina

The Foreign Ministers of the 10 are meeting again on 24/25 May to discuss the need for a futher renewal of sanctions against Argentina. A number of other countries continue to exert economic pressure. The ban on imports imposed by Canada, Australia, New Zealand, Norway and Hong Kong remains in force. An embargo on arms and military equipment by our community partners, the US, and all other major arms exporting countries have seriously reduced Argentina's ability to procure advanced military equipment.

The actual and prospective effect of these measures and the shock to confidence produced by the invasion itself is having a visible effect upon the Argentine economy, both internally and externally.

Externally, the most immediate impact has been the concern of international banking circles about Argentina's credit-worthiness. Argentina's total debt is US dollars 34 billion, of which US dollars 10 billion is short-term. Short-term credits are being rolled over. But longer-term loans are not being replaced as they mature, and Argentina has not been able to raise any new loans since the invasion.

The authorities have been obliged to introduce severe retrictions to prevent foreign currency outlfows. There are now limits on imports and extensive controls on all foreign payments. The pound has been devalued 14% against the dollars, but there is still a wide gap between the official rate of 14,000 pesos to the US dollar and the unofficial market rate of 18,000 - 20,000. Foreign currency reserves, which had fallen by 400 million US dollars in March, fell a further 500 million US dollars in April.

Within Argentina, there has been a steady run on the banking system, as large numbers of people withdrew their deposits. At least seven financial institutions have collapsed. Interest rates have risen sharply and would have gone higher except that the authorities pumped more liquid funds into the system so that the amount of pesos in circulation rose by 50% in April alone.

The economy was already in recession before the invasion: this has got worse. Lay-offs in key sectors, in particular the car industry, have led the Government to ask companies not to suspend any more employees while the

crisis lasts. The cost of military activities is placing a severe strain on Government financing and has led to higher taxes, eg on petrol (up to 30 %), cigarettes and alcohol. All the measures taken - increased money supply, devaluation, higher indirect taxes and interest rates - have added to pressures on inflation, already well over 100% per annum.

SECRET

FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION): 0730 HRS, 21 MAY 1982

### UN Developments

Flag A telno 809

Late in the evening of 20 May, the Secretary-General informed Sir A Parsons that he could no longer continue his UKMIS New York negotiating efforts. He had passed a similar message to the Argentine Permanent Representative who had replied that he had been unable to get any response from Buenos Aires. Secretary-General has also written to the President of the Security Council who is likely to call informal consultations of the Council this morning. Unless there have been major military developments, Sir A Parsons considers it unlikely that the Council will meet in formal session.

Flag B telno 810

The text of the Secretary General's letter to the President UKMIS New York of the Security Council states that, although substantial progress was achieved towards a diplomatic solution, the Secretary-General does not feel that his efforts offer any immediate prospect of ending the crisis.

Flag C FCO telno 442 to telno 795

As instructed, Sir A Parsons had earlier informed the Secretary-General of our reactions to the aide-mémoire he had handed to the British and Argentine Governments on 19 May. UKMIS New York The Ambassador pointed out that the aide-mémoire differed from our 'bottom line', and even if it had proved acceptable to UKMIS New York Argentina, further negotiations could have taken some considerable time. Sir A Parsons also said that we would need to see detailed comments from the Argentines on the Secretary-General's paper.

telno 803

- Flag F telno 801
- Throughout the day, the Secretary-General had been await-UKMIS New York ing a reaction from Buenos Aires. During this time, Sir A Parsons briefed our partners, allies and the media, on our position. The sensitivity of the Secretary-General to suggestions that his attempts at mediation had failed was JKMIS New York demonstrated by his reaction to our distribution of the text of our draft interim agreement.

### Peruvian Initiative

Flag G FCO telno 90 to Abidjan

Flag H

Posts have been briefing their host governments on the basis of the documents laid before Parliament on 20 May. When these documents were handed to President Belaunde by our Ambassador, the former handed over a set of proposals which Lima telno 186 he thought might break through the existing deadlock. proposals are based upon a 'two documents solution' whereby both sides agree to a cease-fire and include the areas in which agreement had been reached as well as areas where they differed. The President put forward this proposal in an effort to help.

#### SECRET

Lima telno Flag J

Flag K Lima telno 189

6. The text of the proposal largely ignores the areas where it has not been possible to obtain Argentine agreement. Although the President said that he had not transmitted these ideas to anyone else, he subsequently informed the US Lima telno 188 Ambassador in Lima, who was passed a copy of the proposal by our Embassy. Later, at a separately-organized press conference, President Belaunde announced that he had put forward new proposals to the British and Argentine Ambassadors and had received assurances of support from the Presidents of Venezuela and Colombia. He went on to add that he had been encouraged by a telephone call from Costa Mendez who had assured him that the Argentine Government were urgently examining the Peruvian proposal. The proposal would now passed to the UN Secretary-General.

## Other Reactions to UK Position

Flag L Washington telno 1828

Mr Haig telephoned Sir N Henderson with a message that he thought we had 'played things intelligently and efficiently'. The Ambassador has also discussed our position with members of the Senate who have expressed support.

Flag M 3onn telno 167

FRG. 8. Herr Genscher hoped that negotiations would continue and told our Ambassador that we could rest assured of continued German support.

Flag N Paris telno 527

9. France. The Secretary-General of the Quai suggested that the Political Directors of the Ten might meet in advance of the Foreign Ministers meeting on 25 May. He also wondered whether some 'broad gesture' from the Community to Latin America might be possible to help mend fences at an early stage after any military action.

Flag O Moscow celno 290

A Soviet MFA official told our Ambassador that USSR. the Soviet Government was against the use of force and favoured a negotiated solution. He went on to add that there were no Soviet interests in the region and that the Soviet Union was not interferring in the dispute.

#### Comment

11. The Secretary-General has now announced the end of his own peace efforts. But no moves have yet been made to call a formal meeting of the Security Council. In the absence of further hostilities, Sir A Parsons considers it likely that no such meeting will be called today, although the Irish may be inclined to be active. Sir A Parsons has not asked for further instructions at this stage.

- 12. The Peruvian initiative seems both confusing and simplistic, and is more of a PR exercise by President Belaunde to keep open the appearance of a negotiating process. It appears however to have Colombian support and we shall need to handle our attitude to it carefully.
- 13. Points for action today are:
- (a) what should be our response to President Belaunde;
- (b) what our public line on the new Peruvian 'proposal' should be.
- 14. We also need to consider the suggestion by the Secretary-General of the Quai d'Orsay that there should be a meeting of Political Directors before the meeting of Foreign Ministers on 24 May.

P R Fearn Emergency Unit

21 May 1982

OC MOSCOW

OC PEKING

OO TOKYO

OO DUBLIN

OO MADRID

OO KAMPALA

OO KINSHASA

OD ACCRA

OO PANAMA CITY

OO GEORGETOWN

OO WARSAW

OC AMMAN

OO BONN

OO UKREP BRUSSELS

OO ROME

OO ATHENS

OO BRUSSELS

CO THE HAGUE

OO COPENHAGEN

OC LUXEMBOURG

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TELEGRAM NUMBER 809 OF 20 MAY 1982

INFO IMMEDIATE WASHINGTON, PARIS, MOSCOW, PEKING, TOKYO, DUBLIN, MADRID, KAMPALA, KINSHASA, ACCRA, PANAMA CITY, GEORGETOWN, WARSAW, AMMAN, BONN, UKREP BRUSSELS, ROME, ATHENS, BRUSSELS, THE HAGUE, COPENHAGEN, LUXEMBOURG, OTTAWA, CANBERRA, WELLINGTON, OSLO, UKDEL NATO.

MY TELNO 803 (NOT TO ALL): FALKLANDS.

- 1. THE SECRETARY GENERAL TELEPHONED ME AT 2101152. HE SAID THAT HE HAD FAILED TO GET ANY REPLY FROM THE ARGENTINES TODAY. HE HAD ACCORDINGLY TOLD ROS TONIGHT THAT HE HAD NO CHOICE BUT TO INFORM THE PRESIDENT OF THE SECURITY COUNCIL THAT HE COULD NOT CONTINUE HIS EFFORTS. ROS HAD SIMPLY REPLIED THAT HE HAD BEEN UNABLE TO GET A RESPONSE FROM BUENOS AIRES AND THAT HE UNDERSTOOD PEREZ DE CUELLAR'S POSITION.
- 2. PEREZ DE CUELLAR HAS ALREADY INFORMED LING QING OF THIS ORALLY AND IN WRITING. THE TEXT OF HIS LETTER TO LING QING IS IN MIFT (NOT TO ALL).
- 3. LONG QING IS LIKELY TO CALL INFORMAL CONSULTATIONS OF THE WHOLE COUNCIL TOMORROW MORNING (21 MAY) AT WHICH PEREZ DE CUELLAR WILL CONFIRM THAT HE HAS THROWN HIS HAND IN AND GIVE AN ORAL REPORT ON HIS EFFORTS. IT IS DIFFICULT TO PREDICT WHAT WILL HAPPEN NEXT. THE RUSSIANS, POLES, AND DE PINIES (SPAIN) WILL PROBABLY BE INCLINED TO PRESS FOR A FORMAL MEETING, SO THAT THE COUNCIL "CAN TAKE THE APPROPRIATE ACTION" BUT THEY MAY NOT WANT TO GET OUT IN FRONT. THE DO-GOODERS WILL BE TORN BETWEEN A DESIRE TO DO SOMETHING (UNSPECIFIED) TO AVERT ARMED CONFLICT AND A RELUCTANCE TO PRECIPITATE A VIOLENT ARGUMENT IN THE COUNCIL LEADING TO A BRITISH VETO. IT IS POSSIBLE THAT THESE CONFLICTING EMOTIONS WILL RESULT IN THERE BEING NO FORMAL MEETING OF THE COUNCIL TOMORROW, UNLESS THERE HAVE

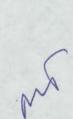
BETWEEN A DESIRE TO DO SOMETHING (UNSPECIFIED) TO AVERT ARMED CONFLICT AND A RELUCTANCE TO PRECIPITATE A VIOLENT ARGUMENT IN THE COUNCIL LEADING TO A BRITISH VETO. IT IS POSSIBLE THAT THESE CONFLICTING EMOTIONS WILL RESULT IN THERE BEING NO FORMAL MEETING OF THE COUNCIL TOMORROW, UNLESS THERE HAVE MEANWHILE BEEN MAJOR MILITARY DEVELOPMENTS. THE SEYCHELLES DEBATE IS DUE TO RESUME AT 1930Z AND THERE IS A LONG LIST OF SPEAKERS. A FURTHER FACTOR IS THE REPORTED DESIRE OF COSTA MENDES TO TAKE PART IN THE COUNCIL'S PROCEEDINGS: THIS MAY EXERCISE A RESTRAINING INFLUENCE ON PANAMA.

PARSONS

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UNCLASSIFIED
FM UKMIS NEW YORK 210245Z MAY 82
TO FLASH FCO
TELEGRAM NUMBER 810 OF 20 MAY
INFO IMMEDIATE WASHINGTON



MIPT: FALKLANDS

1. TEXT OF SECRETARY GENERAL'S LETTER TO AMBASSADOR LING QING, PRESIDENT OF THE SECURITY COUNCIL (RELEASED TO THE PRESS AT 21 : Ø1352 ): AS I INFORMED THE MEMBERS OF THE COUNCIL YESTERDAY, I FELT THE TIME FOR REACHING AGREMENT THROUGH NEGOTIATIONS THAT WOULD RESTORE PEACE IN THE SOUTH ATLANTIC WAS EXTREMELY SHORT. IT REMAINS MY VIEW THAT SUBSTANTIAL PROGRESS WAS ACHIEVED IN THE PAST TWO WEEKS TOWARDS A DIPLOMATIC SOLUTION, BUT I MUST NOW STATE THAT THE NECESSARY ACCOMMODATIONS WHICH WERE STILL NEEDED TO END THE CONFLICT HAVE NOT BEEN FORTHCOMING. IN THESE CIRCUMSTANCES I FEEL IT MY DUTY TO INFORM YOU THAT, IN MY JUDGEMENT, THE EFFORTS IN WHICH I HAVE BEEN ENGAGED, WITH THE SUPPORT OF THE COUNCIL, DO NOT OFFER THE PRESENT PROSPECT OF BRINGING ABOUT AN END TO THE CRISIS, NOR INDEED OF PREVENTING THE INTENSIFICATION OF THE CONFLICT. I HAVE THOUGHT IT ESSENTIAL TO PROVIDE YOU WITH THIS APPRAISAL ON A MOST URGENT BASIS IN THE LIGHT OF THE RESPONSIBILITY WHICH THE SECURITY COUNCIL BEARS UNDER THE CHARTER. AT THE SAME TIME I WOULD LIKE TO ASSURE YOU OF MY CONTINUING COMMITMENT TO THE SEARCH FOR A LASTING RESOLUTION OF THIS PROBLEM.

PARSONS

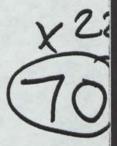
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SECRET
FM FCO 201400Z MAY 82
TO FLASH UKMIS NEW YORK
TELEGRAM NUMBER 442 OF 20 MAY
FOR INFO FLASH WASHINGTON





## YOUR TELNOS 793 AND 794: FALKLANDS

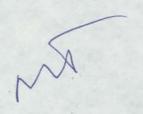
- 1. MINISTERS FEEL STRONGLY THAT ALTHOUGH THE SECRETARY GENERAL'S IDEAS ARE, AS YOU POINT OUT, LIKELY TO BE MORE FAVOURABLE TO US THAN TO ARGENTINA THEY NEVERTHELESS REPRESENT A SIGNIFICANT MOVEMENT DOWNWARDS FROM WHAT WAS OUR ABSOLUTE BOTTOM LINE. IN ADDITION TO THE UNAGREED POINTS LISTED BY THE SECRETARY GENERAL, THERE IS NO MENTION WHATSOEVER OF HOW TO DEAL WITH THE VITAL ISSUE OF NON-REINTRODUCTION OF FORCES. FURTHERMORE THE EQUALLY FIRM DEADLINE HAS NOW BEEN PASSED BY NEARLY 24 HOURS AND MEANWHILE WE HAVE RECEIVED THE STATEMENT OF THE ARGENTINE POSITION WHICH IS EVEN MORE INTRANSIGENT THAN WE MIGHT HAVE EXPECTED. HAVING RESPONDED TO OUR PROPOSALS AS THEY DID IT SEEMS MOST UNLIKELY THAT THE ARGENTINES COULD POSSIBLY REACT FAVOURABLY TO THE SECRETARY GENERAL'S IDEAS EXCEPT IN ORDER TO PROCRASTINATE AND ENGAGE IN FURTHER SPUN OUT NEGOTIATIONS. IT IS THEREFORE NO GOOD THEIR AGREEING TO HIS PROPOSALS 'AS A BASIS FOR NEGOTIATIONS'.
- 2. YOU SHOULD THEREFORE RESPOND TO THE SECRETARY GENERAL AS PROPOSED IN PARAGRAPH 6 OF YOUR TELNO 793 USING THE POINTS IN PARAGRAPH 1 ABOVE AS APPROPRIATE. ON MILITARY PLANS YOU SHOULD REEMPHASIZE AS HAS BEEN CONSTANTLY STATED IN PARLIAMENT THAT OUR SEARCH FOR A NEGOTIATED SETTLEMENT HAS NOT AFFECTED AND CANNOT AFFECT THE PRESSURES INCLUDING MILITARY WHICH WE HAVE BEEN BRINGING TO BEAR ON THE ARGENTINES.
- 3. IN YOUR TELEPHONE CONVERSATION WITH THE PUS YOU SUGGESTED THAT, AT WORKING LEVEL, COMMENTS AND CLARIFICATIONS MIGHT

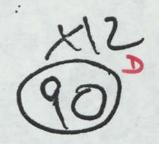
BE MADE ON THE SECRETARY GENERAL'S DRAFTS. THE PURPOSE OF THESE WOULD BE TO BRING HIS PROPOSALS WHOLLY BACK TO OUR BOTTOM LINE AND TO ENABLE US TO SAY THAT WE HAD RESPONDED IMMEDIATELY (IF AND WHEN THE SECRETARY GENERAL'S INITIATIVE BECOMES PUBLIC). WE CONSIDER THAT THE LATTER PURPOSE CAN BE MET BY THE LINE IN PARAGRAPH 6 OF YOUR TELNO 793. WE WOULD PREFER NOT (NOT) TO GET INTO ANY FURTHER SORT OF TEXTUAL DISCUSSIONS AT THIS STAGE.

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SECRET

FROM UKMIS NEW YORK 201439Z MAY 82
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TELEGRAM NUMBER 795 DATED 20 MAY 82
INFO FLASH WASHINGTON





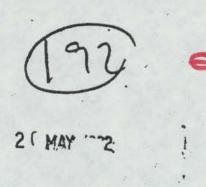
YOUR TELNO 442: FALKLANDS

- 1. I SPOKE AS INSTRUCTED TO THE SECRETARY-GENERAL AT 1410Z TODAY (20 MAY). I SAID THAT WE APPRECIATED THE POSITIVE ASPECTS IN HIS AIDE MEMOIRE. BUT IT DIFFERED IN IMPORTANT RESPERCTS FROM OUR BOTTOM LINE. A FORTICRI IT DIFFERED FUNDAMENTALLY FROM THE LATEST ARGENTINE POSITION. EVEN IF ACCEPTABLE TO BOTH SIDES AS A BASIS FOR NEGOTIATIONS IT WOULD TAKE DAYS IF NOT WEEKS TO KNOW WHETHER SUCCESS COULD BE ACHIEVED. I HAD EMPHASISED THE IMPORTANCE OF OUR DEADLINE OF MID-DAY ON 19 MAY.
- 2. PEREZ DE CUELLAR INTERRUPTED TO SAY THAT HE KNEW THE IMPORTANCE OF OUR DEADLINE. HIS IDEA HAD BEEN TO WORK TODAY WITH THE ARGENTINES IN ORDER TO SEE WHETHER HE COULD PERSUADE THEM TO PREPARE A COMPREHENSIVE PAPER FOR PRESENTATION TO US IN PLACE OF THEIR UNSATISFACTORY DOCUMENT OF 18 MAY.
- 3. I WENT ON TO SAY THAT EVEN IF WE WERE PREPARED TO NEGOTIATE ON THE BASIS OF HIS PAPER, WE WOULD FIRST NEED TO SEE DETAILED COMMENTS FROM THE ARGENTINES ON EVERY SINGLE POINT IN IT. WE WOULD FOR INSTANCE NEED WRITTEN CONFIRMATION THAT THEY AGREED WITH EVERY WORD OF THE FORMULATIONS ON THE POINTS WHERE HE HAD CONCLUDED THAT THE PARTIES WERE IN ESSENTIAL AGREEMENT.
- 4. PEREZ DE CUELLAR SAID THAT THAT COINCIDED EXACTLY WITH HIS OWN THINKING
- 5. I THEN REPEATED THE POINTS I HAD ALREADY MADE, AND WENT ON TO SPEAK ABOUT MILITARY PLANS AS IN PARAGRAPH 2 OF YOUR TELEGRAM UNDER REFERENCE. PEREZ DE CUELAR SAID ON THE LATTER POINT THAT THAT HAD BEEN HIS UNDERSTANDING FROM THE VERY BEGINNING.
- 6. IN CONCLUSION PEREZ DE CUELLAR SAID THAT HE HAD TOLD THE PRESS THAT HE HAD NOT PRODUCED A PLAN, JUST CONFIDENTIAL IDEAS WHICH HE HOPED WOULD ASSIST THE PARTIES TO REACH A NEGOTIATED SETTLEMENT. HE HAD NO INTENTION OF PUBLISHING THESE: IT WOULD BE DISHONEST TO DO SO.

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MY TELNO 795: FALKLANDS

- 1. THE SECRETARY GENERAL HAS SPENT THE WHOLE DAY WAITING FOR AN ARGENTINE REACTION TO HIS AIDE MEMOIRE OF 19 MAY. AT 2345Z THIS EVENING (28 MAY) HE HAD STILL NOT RECEIVED ONE.
- I TOOK ADVANTAGE OF THE LULL IN NEGOTIATIONS TO CATCH UP ON BRIEFING OUR FRIENDS AND ALLIES AND THE MEDIA.
- 3. I SAW THE AMBASSADORS OF NEW ZEALAND AND CANADA AT THE END OF THE MORNING, LUNCHED WITH THE AUSTRALIAN FOREIGN MINISTER AND BRIEFED MY COLLEAGUES OF THE TEN THIS EVENING. IN EACH CASE I TOOK THEM IN DETAIL THROUGH OUR DRAFT INTERIM AGREEMENT, THE ARGENTINE RESPONSE OF 18 MAY. THE SECRETARY GENERAL'S AIDE-MEMOIRE OF 19 MAY AND OUR RESPONSE TO IT. AND THE DEBATE IN THE HOUSE TODAY. NOTHING OF SIGNIFICANCE EMERGED IN THE SUBSEQUENT QUESTION AND ANSWER SESSION WITH THE TEN, EXCEPT THAT I TOOK THE OPPORTUNITY TO TRY TO SMOKE OUT DORR (IRELAND) ABOUT HIS INTENTIONS VIS-A-VIS THE SECURITY COUNCIL. HE TOOK THE VIEW (WITH WHICH I AGREE) THAT ONCE THE SECRETARY GENERAL ANNOUNCED THAT HE COULD DO NO MORE AND/OR INTENSIFIED HOSTILITIES OCCURRED, SOMEONE WOULD BE BOUND TO CALL A FORMAL MEETING OF THE COUNCIL. THIS MIGHT WELL BE PEREZ DE CUELLAR HIMSELF. THE EXISTING IRISH REQUEST FOR A FORMAL MEETING COULD BE THE "'VEHICLE" FOR THIS. BUT NEITHER DORR NOR ANY OTHER OF THE TEN HAD ANY ANSWER WHEN I ASKED WHAT THEY THOUGHT THE COUNCIL COULD USEFULLY DO IN THE EVENT OF FAILURE BY THE SECRETARY GENERAL. DORR IMPLIED THAT HE MIGHT NEVERTHELESS RECEIVE INSTRUCTIONS TO PROPOSÉ SOME ACTION BY THE COUNCIL.
- 4. MY PRESS OFFICER IS REPORTING SEPARATELY TO NEWS DEPARTMENT ON THE PRESS CONFERENCE I GAVE THIS EVENING.

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FM UKMIS NEW YORK 202355Z MAY 82

TO IMMEDIATE F C 0

TELEGRAM NUMBER 801 OF 20 MAY 1982

FOR NEWS DEPARTMENT

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FALKLANDS: PUBLIC STATEMENTS.

1. AS REPORTED BY TELEPHONE TO THE HEAD OF NEWS DEPARTMENT, WE HAD A MINOR BRUSH AT MIDDAY ON 28 MAY WITH THE SECRETARY GENERAL AND HIS SPOKESMAN OVER CERTAIN REFERENCE DOCUMENTS DISTRIBUTED TO THE PRESS IN ACCORDANCE WITH YOUR TELNO 98 TO ABIDJAN. THE SECRETARY GENERAL OBJECTED (CORRECTLY) TO A HEADING INSERTED HASTILY AND WITHOUT PROPER CONSIDERATION WHICH REFERRED TO 'THE BREAKDOWN OF THE UNITED NATIONS PEACE SETTLEMENT'. HE ALSO FELT, WITH LESS JUSTIFICATION, THAT WE SHOULD NOT HAVE SAID, AFTER A REFERENCE TO ARGENTINA'S REJECTION OF BRITISH PROPOSALS, THAT THE PRESENT ROUND OF NEGOTIATIONS WAS AT AN END: AND SHOULD NOT HAVE DESCRIBED ARGENTINA'S POSITION AS 'FINAL' (AS IN YOUR TELNO 87 TO ABIDJAN) BECAUSE THE ARGENTINES HAD TOLD HIM THAT IT WAS NOT.

2. I APOLOGISED TO THE SECRETARY GENERAL IF, IN OUR HASTE TO PUBLISH THE PAPERS, WE HAD INADVERTENTLY CAUSED HIM ANY EMBARRASSMENT. TO MOLLIFY HIM, WE ISSUED A CORRECTED VERSION, AND WENT TO GREAT LENGTHS TO EMPHASISE TO THE PRESS THAT WE DREW A CLEAR DISTINCTION BETWEEN THE ROUND OF NEGOTIATIONS EFFECTIVELY ENDED BY THE ARGENTINE REJECTION (TO WHICH TODAY'S DOCUMENTS REFERRED), AND THE LATER AND ENTIRELY SEPARATE EFFORTS OF THE SECRETARY GENERAL. WE HAVE POINTED OUT THAT THE SECRETARY GENERAL'S SPOKESMAN HIMSELF STRESSED THAT THESE EFFORTS DID NOT CONSTITUTE FORMAL MEDIATION: THAT HE HAD NOT TABLED A PLAN OR FORMAL UN PROPOSALS: AND THAT HE HAD NOT SPECIFICALLY REQUIRED THE PARTIES TO GIVE AN ANSWER TO HIS "IDEAS". WE HAVE ALSO DRAWN ATTENTION THROUGHOUT THE DAY TO THE PRIME MINISTER'S DESCRIPTION IN PARLIAMENT OF THE SECRETARY GENERAL'S LATEST EFFORTS, POINTING OUT THAT THIS IS THE LATEST DEFINITIVE BRITISH STATEMENT ON HIS EFFORTS AND IN NO SENSE REJECTS THEM. 3. I THINK THAT THE SECRETARY GENERAL HAS CALMED DOWN. BUT, AS I UNDERSTAND TREVOR MCDONALD HAS POINTED OUT IN HIS REPORT THIS EVENING, THIS MINOR EPISODE DEMONSTRATES HOW EXTREMELY SENSITIVE . . THE SECRETARY GENERAL IS TO ANY SUGGESTION THAT HIS NEGOTIATING EFFORTS ARE NOW AT AN END.

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FM FCO 201200Z MAY 82

TO FLASH ABIDJAN AND CERTAIN POSTS

TELEGRAM NUMBER 90 OF 20 MAY

MY TELNO 88 TO ABIDJAN: FALKLAND ISLANDS

- 1. TAKE ACTION.
- 2. YOU SHOULD NOW CARRY OUT THE INSTRUCTIONS IN MY TUR. THE TEXTS REFERRED TO ARE NOW BEING MADE AVAILABLE TO PARLIAMENT. WE APPRECIATE THAT THE ORIGINAL DEADLINE HAS PASSED: YOU SHOULD THEREFORE TAKE ACTION URGENTLY.
- 3. IF ASKED ABOUT THE UN SECRETARY GENERAL'S LAST-MINUTE PROPOSALS, YOU SHOULD SAY THAT WE HAVE THROUGHOUT WARMLY APPRECIATED SR PEREZ DE CUELLAR'S EFFORTS. HOWEVER, GIVEN THE HARDENING OF THE ARGENTINE POSITION IN THEIR LATEST TEXT (PARAGRAPH 1(B) OF MY TELNO 87), IT WAS CLEAR THAT FURTHER NEGOTIATION WOULD BE FRUITLESS.

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CONFIDENTIAL

M LIMA 201800Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 186 OF 20 MAY

AND TO IMMEDIATE UKMIS NEW YORK WASHINGTON

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YOUR TELNO 92: FALKLANDS

1. THE PRESIDENT RECEIVED ME AT 1115 WHEN I COMMUNICATED TO HIM THE TEXT OF THE DRAFT INTERIM AGREEMENT PLUS THE TEXT OF THE MEMORANDUM. I ALSO SPOKE ON THE LINES OF PARA 5 OF YOUR TELNO 88 AND PARA 3 OF YOUR TELNO 90.

2. PRESIDENT BELAUNDE SAID HE WAS GRATEFUL FOR THE MANNER IN WHICH WE WERE KEEPING HIM INFORMED OF DEVELOPMENTS IN THE SOUTH ATLANTIC WHICH, AS WE KNEW, HE REGARDED AS BEING OF THE UTMOST GRAVITY. AFTER A GLANCE THROUGH THE VARIOUS DOCUMENTS AND TRANSLATIONS HE SAID HE WOULD STUDY THEM THOROUGLY AND IN GREATER DETAIL AS SOON AS POSSIBLE. HE THEN SAID THAT AS PERU HAD ALREADY TAKEN CERTAIN INITIATIVES WHICH HE THOUGHT HAD FOUND PARTIAL FAVOUR ON BOTH SIDES, HE WONDERED WHETHER THERE WAS ANYTHING ELSE THAT PERU COULD SUGGEST IN THE CIRCUMSTANCES. HE THOUGHT IT ESSENTIAL THAT SOMETHING SHOULD BE DONE TO BRING ABOUT A CEASEFIRE AS ANY OTHER ALTERNATIVE WAS TOO AWFUL TO CONTEMPLATE.

3. PRESIDENT BELAUNDE THEN SAID THAT WHEN HE HAD HEARD OF MY REQUEST FOR AN APPOINTMENT HE HAD PREPARED A SET OF PROPOSALS (HE EMPHASISED THAT WHAT HE WAS SAYING WAS IN THE STRICTEST CONFIDENCE WHICH I SHOULD BE GRATEFUL IF YOU WOULD PROTECT) BASED ON THE PERUYIAN EXPERIENCE WITH ECUADOR IN FEBURARY 1981 WHEN IT HAD SOON BECOME APPARENT THAT WHILE BOTH SIDES WANTED A CEASEFIRE THERE WAS NO SINGLE DOCUMENT TO WHICH ECUADOR AND PERU WERE WILLING TO APPEND THEIR SIGNATURE BECAUSE ECUADOR REFUSED TO RECOGNISE THE 1940 RIO ARBITRAT-ION. HE HAD THERFORE PUT FORWARD THE QUOTE TWO DOCUMENT SOLUTION LNQUOTE IN WHICH EACH SIDE AGREED TO A CEASEFIRE AND INCLUDED ALL THOSE AREAS IN WHICH AGREEMENT HAD BEEN REACHED AS WELL AS THOSE AREAS ON WHICH THEY DIFFERED AND WHICH WERE TO BE THE SUBJECT OF FURTHER NEGOTIATION. HE HAD THEREFORE PUT DOWN ON PAPER HIS PROPOSALS IN OUTLINE WHICH HE ASKED ME TO TRANSMIT TO YOU IF I THOUGHT THIS WAS WORTH DOING AT THIS STAGE. THE ENGLISH TRANSLATION OF THE PRESIDENTS' DOCUMENT (OF WHICH HE ASKED ME TO PROVIDE HIM WITH A COPY) IS IN MIFT. IN REPLY TO MY QUESTION, THE PRESIDENT SAID THAT HE HAD NOT TRANSMITTED HIS PROPOSALS TO THE SECRETARY GENERAL OF THE

HE HAD NOT TRANSMITTED HIS PROPOSALS TO THE SECRETARY GENERAL OF THE UN, TO THE ARGENTINES OR TO ANYBODY ELSE, BUT THAT IF WE THOUGHT THERE WAS ANY FUTURE TO THEM HE WOULD BE GLAD TO DO SO.

4. IN OUR EARLIER CONVERSATION ON THE NEGOTIATIONS CONDUCTED THROUGH THE SECRETARY GENERAL, I LEFT THE PRESIDENT IN NO DOUBT ABOUT OUR FLEXIBILITY AND ARGENTINE INTRANSIGENCE, PREVARICATION AND LACK OF CREDIBILITY TO WHICH HE MADE NO COMMENT. IN ANOTHER PART OF OUR CONVERSATION, THE PRESIDENT REMINDED ME OF THE CLOSE LINKS BETWEEN THE MILITARY IN PERU AND ARGENTINA AND TO THE DIFFICULTIES WHICH THIS CAUSED HIM. ANY ESCALATION IN THE CONFLICT MIGHT HAVE CONSEQUENCES WHICH WOULD BE DIFFICULT TO PREDICT.

5. THE PRESIDENT WAS FRIENDLY AND AFFABLE AND CLEARLY ANXIOUS TO HELP.

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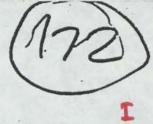
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FM LIMA 201845Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 187 OF 20 MAY

AND TO IMMEDIATE UKMIS NEW YORK WASHINGTON



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W.G. B.

MIPTE FALKLANDS

FOLLOWING IS OUR OWN TRANSLATION: BEGINS:

NEW PEACE FORMULA IN THE SOUTH ATLANTIC

SINCE THE POINTS OF VIEW OF THE UNITED KINGDOM AND ARGENTINA ON
THE CONFLICT IN THE SOUTH ATLANTIC CANNOT BE RECONCILED IN A JOINT
STATEMENT WHICH IS ACCEPTABLE TO BOTH PARTIES THE FOLLOWING
FORMULA IS PROPOSED AS A SUBSTITUTE.

- 1. EACH NATION SUBSCRIBES UNILATERALLY TO THE LATEST PROPOSAL FOR AN AGREEMENT PRESENTED TO THE SECRETARY GENERAL OF THE UNITED NATIONS SEMICLN
- 2. THE SECRETARY GENERAL FULFILS THE CLAUSES IN WHICH THERE ARE POINTS OF AGREEMENT, SUCH AS:
  - (A) CEASEFIRE SEMICLN
  - (B) MUTUAL WITHDRAWAL OF FORCES SEMICLN
  - (C) ADMINISTRATION OF THE GOVERNMENT OF THE ISLANDS BY THE UNITED NATIONS OR BY A CONTACT GROUP, FORMED BY VARIOUS COUNTRIES, WITHIN A PERIOD WHICH IS AGREED IN THE TWO PROPOSALS SEMICLN
- 3. THE SECRETARY GENERAL OF THE UNITED NATIONS, DR PEREZ DE CUELLAR, OR THE CONTACT GROUP, ACCEPTABLE TO BOTH PARTIES, WHICH HE WILL PROPOSE, WILL BE RESPONSIBLE FOR ORGANISING AND PRESIDING OVER NEGOTIATIONS IN PERSUIT OF A PERMANENT SOLUTION AND FOR SUPERVISING THE IMMEDIATE WITHDRAWAL FROM THE ZONE OF CONFLICT OF THE FORCES OF BOTH COUNTRIES.

ENDS.

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20 MAY 1982

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20 MAY 1982

RESIDENT, MY US COLLEAGUE TELEPHONINFORMED HIM OF OUR CONVERSATION UNDERTAKEN TO COMMUNICATE TO YOU.

GGESTED THAT I MIGHT LET THE US SIDENTIAL PROPOSALS IN CASE THIS

CONFIDENTIAL

FM LIMA 202010Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 188 OF 20 MAY

INFO IMMEDIATE UKMIS NEW YORK WASHINGTON

MY TELNO 187: FALKLANDS

- 1. SHORTLY AFTER MY CALL ON THE PRESIDENT, MY US COLLEAGUE TELEPHONED ME TO SAY THAT THE PRESIDENT HAD INFORMED HIM OF OUR CONVERSATION AND OF THE PROPOSALS WHICH I HAD UNDERTAKEN TO COMMUNICATE TO YOU. HE SAID THAT THE PRESIDENT HAD SUGGESTED THAT I MIGHT LET THE US AMBASSADOR HAVE A COPY OF THE PRESIDENTIAL PROPOSALS IN CASE THIS MIGHT BE OF HELP.
  - 2. I SAID THAT IN ORDER TO AVOID CROSSING ANY WIRES WE SHOULD USE THE ENGLISH TRANSLATION PREPARED IN THIS EMBASSY AND WHICH WE HAD ALREADY MADE AVAILABLE TO THE PRESIDENCY. I HAVE ACCORDINGLY GIVEN MY US COLLEAGUE A COPY OF OUR ENGLISH TEXT.

WALLACE

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554 PRDRME G BOPE PRODROME 005/21 7.:)-1'8%835(@+263564 PRDRME GQ 2 C MAY '982 UNCLASSIFIED FM LIMA 219430Z MAY 82 TO FLASH FCO TELEGRAM NUMBER 189 OF 21 MAY AND TO FLASH UKMIS NEW YORK AND WASHINGTON 3 FALKLANDS: MY TELEGRAM NUMBER 186 AT A SPECIALLY ORGANISED PRESS CONFERENCE THIS EVENING PRESIDENT ELAUNDE ANNOUNCED THAT HE HAD RECEIVED FROM ME THIS MORNING THE TEXTS REFEERRED TO IN MY TURWHICH HE HAD FOUND VERY DISCOURAGING ABOUT THE PROSPECTS OF A PEACEFUL SETTLEMENT. IN KEEPING WITH PERU, S DETERMINATION TO DO EVERYTHING POSSIBLE TO AVOID FURTHER HOSTILITIES HE HAD THEREFORE PUT FORWARD CERTAIN NEW PROPOASALS WHICH I HAD UNDERTAKEN TO TRANSMIT TO YOU. HE HAD THEN ASKED THE ARGENTINE AMBASSADOR TO CALL WHO HAD LIKEWISE TRANSMITTED THE FORMULA TO HIS GOVERNMENT, PRESIDENT BELAUND HAD THEN DISCUSSED THE SITUATION AND HIS PROPOSALS WITH TWO VISITING MINISTERS FROM COLOMBIA AND VENEZUELA WHO HAD IMMEDIATELY GOT IN TOUCH WITH THEIR RESPECTIVE GOVERNMENTS. BOTH THE PRESIDENT OF VENEZUELA AND THE PRESIDENT OF COLOMBIA HAD SINCE ASSURED PRESIDENT BELAUNDE OF THEIR SUPPORT FOR THE PERUVIAN INITIATIVE. 2. PRESIDENT BELAUNDE ADDED THAT HE HAD ALSO BEEEN MUCH ENCOURAGED BY A PHONE CALL FROM COSTA MENDEZ WHO HAD ASSURED HIM THAT THE ARGENTINE GOVERNMENTWERE URGENTLY EXAMINING THE PERUVIAN FORMULA AND THAT A REPLY FROM PRESIDENT WAKTERA GALTIERI WAS EXPECTED SHORTLY. 3. PRESIDENT BELAUNDE CONCLUDED BY SAYING THAT THIS FURTHER PERUVIAN INITIATIVE . ABLY SUPPORTED BY OTHER LATIN AMERICAN HEADS OF STATE, WOULD BE COMMUNICATED TO THE SECRETARY GENERAL OF THE U.N. 4. DETAILS OF THE PEACE FORMULA WERE NOT REPEAT NOT DIVULGED. WALLACE MANN

SENT AT 1715Z 21 MAY 263564 PRDRME G 25230PE PRODROME

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FM WASHINGTON 202205Z

TO IMMEDIATE F C O

TELNO 1828 OF 20 MAY 1982,

INFO IMMEDIATE UKMIS NEW YORK.

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## FALKLANDS

- 1. HAIG HAS TELEPHONED HAVING HEARD A GOOD DEAL OF THE HOUSE OF COMMONS DEBATE. HE THOUGHT THAT WE WERE "WELL-POSTURED". WE HAD PLAYED THINGS INTELLIGENTLY AND EFFICIENTLY.
- 2. I HAVE SEEN THE MAJORITY LEADER IN THE SENATE, HOWARD BAKER, AND GIVEN HIM THE OUTLINE OF OUR ATTITUDE ON THE BASIS OF THE PM'S AND YOUR SPEECHES IN THE HOUSE OF COMMONS. HE SAID THAT HE AGREED WITH EVERY WORD OF IT. HE SAID THAT THE SENATE WOULD, HE WAS SURE, REMAIN SOUND FROM OUR POINT OF VIEW. HE SAW THE NEED FOR KEEPING UP THE PRESSURE MILITARILY AS WELL AS KEEPING OPEN THE NEGOTIATING CHANNEL.
- 3. HE REFERRED TO THE QUESTION SENATOR STEVENS HAD RAISED LAST WEEK ABOUT A POSSIBLE SENATE RESOLUTION CALLING UPON THE BRITISH NOT TO USE FORCE AGAINST THE ARGENTINE MAINLAND. BAKER SAID THAT HE THOUGHT THAT HE COULD KEEP THIS UNDER CONTROL. I EMPHASISED THE BAD EFFECT ANYTHING LIKE THIS COULD HAVE IN THE UK AND BAKER SAID THAT HE FULLY UNDERSTOOD THIS.
- 4. I HAVE ALSO HAD A CALL FROM SENATOR MOYNIHAN, WHO EXPRESSED STRONG AND CONTINUING SUPPORT FOR OUR STANCE.

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CONFIDENTIAL
FM BONN 201859Z MAY 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 467 OF 20 MARK





INFO IMMEDIATE UKMIS NEW YORK WASHINGTON ATHENS UKREF BRUSSELS EMBASSY BRUSSELS COPENHAGEN DUBLIN THE HAGUE LUXEMBOURG PARIS ROME

YOUR TELNO 90 TO ABIDJAN : FALKLAND ISLANDS



- 1. ACTION TAKEN TODAY WITH GENSCHER WHO TOOK NOTE AND SAID THAT HE HAD BEEN LISTENING TO THE PRIME MINISTER ON THE RADIO. I TOOK HIM THROUGH THE NEGOTIATIONS OF THE PAST 6 (SIX) WEEKS AND POINTED OUT THAT ARGENTINE INTRANSIGENCE HAD LED TO THE PRESENT IMPASSE. GENSCHER ACKNOWLEDGED THE DIFFICULTIES IN NEGOTIATING WITH A MILITARY JUNTA BUT SAID THAT HE HOPED NEGOTIATIONS WOULD CONTINUE DESPITE THE PESSIMISTIC OUTLOOK. THE FEDERAL CABINET HAD DISCUSSED THE FALKLANDS CRISIS AT LENGTH YESTERDAY AND THE BRITISH COULD REST ASSURED OF CONTINUED GERMAN SUPPORT.
- 2. GENSCHER SAID THAT HE REGRETTED THAT EC SANCTIONS HAD BEEN RENEWED ONLY FOR A WEEK. THE FEDERAL GOVERNMENT HAD BEEN PREPARED TO AGREE A LONGER EXTENSION AND GENSCHER HAD SOUGHT TO CONVINCE THE ITALIANS AND THE DANES. HE HAD DISREGARDED THE IRISH. GENSCHER SAID THAT HE HAD HAD A TETE A TETE WITH COLOMBO OVER LUNCH ON 17 MAY AND HAD SECURED COLOMBO'S AGREEMENT TO A 14 (FOURTEEN) DAY EXTENSION WITH ITALY ISSUING A DEVCLARATION STATING ITS POSITION ON THE CRISIS. BUT COLOMBO HAD BEEN UNABLE TO GAIN ACCEPTANCE FOR THIS FROM ROME. THE DECISION TO RENEW SANCTIONS FOR A MERE 7 (SEVEN) DAYS WAS MAINLY BECAUSE THE DANES HAD PARLIAMENTARY DIFFICULTIES. GNSCHER DOUBTED WHETHER THE BRITISH WERE AWARE OF THIS BACKGROUND.
- 3. MEANWHILE HEAD OF CHANCERY ALSO TALKED TO ZELLER ( FEDERAL CHANCELLOR'S OFFICE) WHO INFORMED CHANCELLOR OF THE MESSAGE.

TAYLOR

€ 0 MAY 1982 CONFIDENTIAL. FM PARIS 201630Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 527 OF 26 MAY 1982 INFO IMMEDIATE TO ABIDJAN WASHINGTON UKMES NEW YORK ATHENS BRUSSELS UKREP BRUSSELS COPENHAGEN THE HAGDEG LUXEMBOURG ROME DUBLIN AND BONN YOUR TEL NO 9¢ TO ABIDJAN: FALKLAND ISLANDS 1. I SPOKE ACCORDINGLY TO GUTMANN, SECRETARY GENERAL OF THE QUAL. (WE LEFT COPIES AT THE ELYSEE BUT THERE IS NO SENIOR OFFICIAL THERE TODAY.) 2. GUTMANN MADE THREE SUGGESTIONS: (A) THAT WE SHOULD CONSIDER HOW TO HANDLE THE DEBATE WHICH MAY SOON BECOME INEVITABLE IN THE SECURITY COUNCIL, PARTICULARLY IF BRITISH TROOPS LAND IN THE ISLANDS. HE WAS NOT SURE WHETHER THE UK AS A PARTY TO THE DISPUTE WOULD ENJOY A RIGHT OF VETO. HE WONDERED WHAT WOULD HAPPEN IF A CALL FOR A CEASEFIRE IN THE SECURITY COUNCIL WERE ACCOMPANIED BY AN ARGENTINIAN OFFER TO WITHDRAW ITS FORCES. HE THOUGHT IT WOULD BE USEFUL TO DISCUSS UN ASPECTS FURTHER WHEN WE HAD FORMED A VIEW! (B) THAT POLITICAL DIRECTORS OF THE TEN MIGHT MEET. NOT ALL OF THE TEN WERE ENTIRELY CONVINCED BY THE BRITISH CASE: SOME HAD OFFERED SUPPORT OUT OF FRIENDSHIP RATHER THAN BECAUSE THEY ENDORSED THE PRINCIPLES ON WHICH THE UK BASED ITSELF. IT WOULD BE HELPFUL TO KEEP THEM AS CLOSELY ASSOCIATED WITH DECISIONS AS POSSIBLE. FOREIGN MINISTERS WOULD BE ABLE TO SPEAK ON MONDAY BUT AN EARLIER MEETING OF POLITICAL DIRECTORS MIGHT BE DESIRABLE: IT WAS FOR THE UK TO DECIDE WHETHER TO PROPOSE ONE: (C) REFERRING TO MITTERRAND'S SUGGESTION AT HIS LUNCH WITH THE PRIME MINISTER ON 17 MAY, HE SPECULATED WHETHER SOME BROAD GESTURE FROM THE COMMUNITY TO LATIN AMERICA MIGHT BE POSSIBLE TO HELP MEND FENCES AT A VERY EARLY STAGE AFTER ANY MILITARY ACTION. 3. GUTMANN SAID HE WOULD IMMEDIATELY INFORM MITTERRAND AND CHEYSSON, WHO ARE DUE TO ARRIVE IN ABIDJAN TOMMOROW. HM AMBASSADOR ABIDJAN MIGHT LIKE TO MAKE THE RELEVANT TEXTS AVAILABLE TO THE FRENCH. FRETWELL

CONFIDENTIAL

DESKRY SIGNSON
FOR MOSCOW 202010Z MAY 92
TO IMMEDIATE FCO

TELEGRAM NUMBER 290 OF 20/5

YOUR TEL NO PA TO ABIDJAN :

FALKLANS

- 1. I HAD PROVISIONALLY ARRANGED TO SEE DEPUTY MINISTER RYZHOV AT 1708 HOURS LOCAL TODAY. FOLLOWING RECEIPT OF YOUR TUR I WAS UNABLE TO REARRANGE MY APPOINTMENT WITH RYZHOV FOR LATER IN THE EVENING AND INSTEAD SAW SUSLOV, HEAD OF SECOND EUROPEAN DEPARTMENT AT 2200 HOURS LOCAL TONIGHT. I GAVE HIM COPIES OF THE DRAFT INTERIM AGREEMENT AND OF THE MEMORANDUM, EMPHASISING THAT THE PURPOSE OF MY CALL WAS TO KEEP THE SOVIET GOVERNMENT INFORMED OF THE COURSE OF EVENTS. I THEN TOOK SUSLOV THROUGH THE MAIN POINTS OF THE MEMORANDUM.
- 2. SUSLOV, WHO WAS ACCOMPANIED BY HIS DEPUTY SEMEONOV, ASKED ABOUT THE LATEST SITUATION. I SAID THAT PEREZ DE CUELLAR HAD MADE FURTHER SUGGESTIONS BUT, GIVEN THE HARDENING OF THE ARGENTINE POSITION, IT WAS CLEAR THAT FURTHER NEGOTIATION WOULD BE FRUITLESS. SUSLOV AND SEMEONOV SAID THAT THEY HAD JUST HEARD NEWS ON MOSCOW RADIO THAT BRITISH TROOPS WERE ALREADY LANDING IN THE FALKLANDS. I SAID THAT I WAS NOT AWARE OF THIS.
- 3. SUSLOV THEN READ WHAT HE CALLED AN ORAL STATEMENT OF THE SOVIET GOVERNMENT'S POSITION ON THE FOLLOWING LINES (HE DID NOT HAND OVER A TEXT)

WE REGRET THAT THE UNITED KINGDOM HAS DECIDED SHARPLY TO ESCALATE MILITARY ACTIONS IN THE SOUTH ATLANTIC INSTEAD OF CHOOSING THE PATH TO A PEACEFUL SETTLEMENT. SUCH A COURSE WILL LEAD TO FURTHER HUMAN CASUALTIES AND MATERIAL LOSSES AND WILL CREATE IN THE SOUTH ATLANTIC A NEW HOTBED OF TENSION. THIS CAN ONLY AROUSE OUR CONCERN. AS HAS ALREADY BEEN STATED SEVERAL TIMES TO THE BRITISH SIDE, THE SOVIET UNION IS AGAINST THE USE OF FORCE IN INTERNATIONAL AFFAIRS. AS BEFORE, WE ARE CONVINCED THAT A RESOLUTION OF THE ANGLO/ARGENTINE DISPUTE CAN BE FOUND BY PEACEFUL MEANS AT THE NEGOTIATING TABLE AND THAT THIS WOULD MEET THE INTERESTS OF BOTH BRITAIN AND ARGENTINA. WE EDMPRESS THE HOPE THAT THE BRITISH SIDE WILL WEIGH THESE CONSIDERATIONS CAREFULLY.

DISPUAYING CO FION SENSE, AND SUPPORT A PEACEFUL SETTLEMENT HE ARGENTINA.

- THE SOVIET GOVERNMENT WAS AGAINST THE USE OF FORCE AND FAVOURED A NEGOTIATED SOLUTION. IF THEY LOOKED AT THE HISTORY OF THE DISPUTE AS SET OUT IN THE MEMORANDUM IT WOULD BE CLEAR WHO HAD FIRST USED FORCE AND WHO HAD GENUINELY WORKED FOR A PEACEFUL SETTLEMENT. THE SOVIET UNION SAID THAT IT HAD A PRINCIPLED FOREIGN POLICY. OUR MEMORANDUM SHOWED CLEARLY HOW ARGENTINA AND THE UK RESPECTIVELY OBSERVED THE PRINCIPLES GOVERNING INTERNATIONAL RELATIONS. WE KNEW THE SOVIET GOVERNMENT KNEW AND THE WORLD AT LARGE KNEW WHERE THE RESPONSIBILITY FOR THE PRESENT DANGEROUS SITUATION LAY.
- 5. IN CONCLUSION, SUSLOV REPEATED THAT THE DISPUTE SHOULD BE SETTLED PEACEFULLY, THAT THERE WERE NO SOVIET INTERESTS IN THE REGION, AND THAT THE SOVIET UNION WAS NOT INTERFERING IN THE DISPUTE.
- 6. I HAVE SINCE INFORMED MOST MEMBERS OF THE BRITISH PRESS CORPS THAT WE HAVE HANDED OVER A TEXT OF THE DRAFT INTERIM AGREEMENT TO THE MFA AND HAVE BRIEFED THEM OFF THE RECORD ON THE BACKGROUND. WE HAVE ALSO GIVEN THEM COPIES OF THE DRAFT AGREEMENT WHICH WE INTEND TO SEND TOMORROW TO SELECTED SOVIET JOURNALISTS TOGETHER WITH THE TEXT OF THE PRIME MINISTER'S STATEMENT IN THE HOUSE TODAY.

KEEBLE

NHNN

FALKLAND ISLANDS: FCO SITREP

0730 HOURS, 21 MAY 1982

## United Nations Developments

- 1. The UN Secretary-General declared yesterday evening (New York time) that his peace efforts had come to an end. Earlier in the day the UK Permanent Representative had told the Secretary-General that his aide mémoire differed in important respects from our position and that it differed fundamentally from the Argentine position. Even if acceptable to both parties as a basis for negotiation, it would have taken days if not weeks to know if success could have been achieved. Argentina failed entirely to respond to the aide mémoire, although the Argentine Foreign Minister is reported to have said in Buenos Aires last night that his country wanted the Secretary-General to continue his peace mission.
- 2. The President of the UN Security Council is likely to call informal consultations of the Council today. Further developments in the Council are difficult to predict at this stage but a formal meeting today is unlikely unless there are major military developments.

#### World Reaction

3. Posts have been expounding the British Government's position on the basis of yesterday's Parliamentary statements and documents. In Washington Mr Haig was complimentary about our recent tactics.

## New Peruvian Initiative

4. The President of Peru yesterday handed to the British Ambassador a new peace formula which, however, avoids the main points at issue between the two parties. In a subsequent press conference the President criticised recent British texts as very discouraging and said that he had therefore put forward new proposals. He added that Sr Costa Mendez had assured him that the Argentine Government were urgently examining the Peruvian formula and that a reply from President Galtieri was expected shortly. The Presidents of Venezuela and Colombia had expressed support.

EMERGENCY UNIT

2 | May 1982

20 May 1982

The Prime Minister has asked me to thank you for your letter of 4 May enclosing the text of an agenda motion approved by the Peruvian Chamber of Deputies. The contents of the motion have been obted.

AJC

Mr. Luis Percevich Roca

100



# Mr Coles

Alvaro de Soto, a chef de cabinet to Perez de Cuellar, telephoned yesterday evening from New York. He used to be the Peruvian ambassador to the conference on the Law of the Sea, and the leader of the Group of 77 at that conference. He is an acquaintance of mine but has not been in touch before in this way. His (new) wife is Argentinian!

He said what a tragedy it was that two countries should be going to war when agreement on all the main issues was so close. Surely with a little more effort some kind of settlement could be reached. He said that the existing Argentinian and British papers did not represent the real agreement possible. Concessions had been made by both sides e.g. we had accepted that it would be impossible to go back to the status quo ante. I said I knew nothing of the details but I had the impression that our main points had not been accepted by the Argentine.

Senor de Soto said that the Secretary General had been hoping to put forward a working paper indicating possible solutions. But, he had, said senor de Soto, been "pre-empted" by the paper which we had put forward and which had a time limit, now past. This had led to the violent Argentinian reaction which doubtless would be published sooner or later and which meant less than it seemed. The Secretary-General had, said Senor de Soto, been hoping to send a representative to Buenos Aires to try and persuade them to accept his ideas, and had wished, for form's sake, to send a similar person to London, if only to explain what the Secretary General had been thinking.

Augh Thomas

# LKLANDS SELECTIVE ADVANCES

39.

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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,

PS/SIR A DUFF

MR WADE-GERY

MR FULLER

MR O'NEILL HD ASSESS-

DIO

MR J M STEWART AUSD STAFF MOD ADMIRAL SIR ROY HALLIDAY DGI MOD DIRECTOR G.C.H.Q. (Sia Rosus).

MENTS STAFF

CONFIDENTIAL

FM WASHINGTON 202205Z

TO IMMEDIATE F C O

TELNO 1828 OF 20 MAY 1982,

INFO IMMEDIATE UKMIS NEW YORK.

THE STATE OF THE S

FALKLANDS

- 1. HAIG HAS TELEPHONED HAVING HEARD A GOOD DEAL OF THE HOUSE OF COMMONS DEBATE. HE THOUGHT THAT WE WERE "WELL-POSTURED". WE HAD PLAYED THINGS INTELLIGENTLY AND EFFICIENTLY.
- 2. I HAVE SEEN THE MAJORITY LEADER IN THE SENATE, HOWARD BAKER,
  AND GIVEN HIM THE OUTLINE OF OUR ATTITUDE ON THE BASIS OF THE
  PM'S AND YOUR SPEECHES IN THE HOUSE OF COMMONS. HE SAID THAT HE
  AGREED WITH EVERY WORD OF IT. HE SAID THAT THE SENATE WOULD, HE
  WAS SURE, REMAIN SOUND FROM OUR POINT OF VIEW. HE SAW THE NEED FOR
  KEEPING UP THE PRESSURE MILITARILY AS WELL AS KEEPING OPEN THE
  NEGOTIATING CHANNEL.
- 3. HE REFERRED TO THE QUESTION SENATOR STEVENS HAD RAISED LAST

3. HE REFERRED TO THE QUESTION SENATOR STEVENS HAD RAISED LAST WEEK ABOUT A POSSIBLE SENATE RESOLUTION CALLING UPON THE BRITISH NOT TO USE FORCE AGAINST THE ARGENTINE MAINLAND. BAKER SAID THAT HE THOUGHT THAT HE COULD KEEP THIS UNDER CONTROL. I EMPHASISED THE BAD EFFECT ANYTHING LIKE THIS COULD HAVE IN THE UK AND BAKER SAID THAT HE FULLY UNDERSTOOD THIS.

4. I HAVE ALSO HAD A CALL FROM SENATOR MOYNIHAN, WHO EXPRESSED STRONG AND CONTINUING SUPPORT FOR OUR STANCE.

HENDERSON

2343

NNNN

ADVANCE COPIES: FALKLAND ISLANDS GENERAL (38) IMMEDIATE P8/NO 10 DOWNING ST (2) PS/IR HURD PS/S OF S FOR DEFENCE PS/MR ONSLOW MR J STEWART AUSD STAFF MOD PS/PUS MR BULLARD PS/CHANCELLOP ) SIR I SINCLAIR TREASURY BR ILETT MR GIFFARD MR LITTLER MR WRIGHT SIR R ARMSTRONG MR ADAMS CABINET STR M PALLISER LORD N G LENWOX MR WADE-GERY OFFICE LORD BRIDGES MR FULLER SAPU/DIO MR URE DIO MR GILLMORE HD/PUSD BY 8 FOR HODUK & IN C EXTRE HD/S AL! D HD/DEF DEPT Mus Dickson, D/ENERGY HD/KEWS DEPT HD/EPD ED/ECD(E)HD/UD [ Passed to E.R.] HD/PLANNING STAFF MR ANTHONY WILLIAMS, W60 tyle nation of the prices will be the RESIDENT CLERK Trupists no?

SECRET
FROM SANTIAGO 201645Z MAY 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 250 OF 20 MAY

mo

YOUR TELEGRAM NO 90 TO ABIDJAN : FALKLANDS : THE BRITISH POSITION

- 1. I DELIVERED TEXT OF DRAFT INTERIM AGREEMENT AS AN AIDE MEMOIRE TOGETHER WITH YOUR MEMORANDUM OF EVENTS PERSONALLY TO FOREIGN MINISTER ROJAS AT 1510Z, SAYING IT WAS MY UNDERSTANDING THAT ARGENTINES HAD ESSENTIALLY REJECTED IT. HE READ DRAFT CAREFULLY AND WISHED US GOOD LUCK.
- 2. HE THEN RUMINATED ON STATE OF ARGENTINE JUNTA AT PRESENT SAYING THAT THEIR INFORMATION WAS THAT ADMIRAL ANAYA, ORIGINALLY THE MOST HAWKISH, WAS NOW DEPRESSED AND FATALISTIC ABOUT OUTCOME OF CONFLICT WHILE ONLY LAMI DOZO WHO STILL HAD A GOOD AIRFORCE SEEMED AT ALL CONFIDENT. CHILEAN CONCLUSION IS THAT JUNTA HAVE NOW RESIGNED THEMSELVES TO INEVITABILITY OF A BATTLE SO THAT EVEN IF THEY LOSE THEY CAN JUSTIFY THEMSELVES AS MILITARY MEN.

3. AT EMBASSY PRESS CONFERENCE HELD AT 1630Z, WHICH WAS VERY WELL ATTENDED BY LOCAL MEDIA, THE TEXT OF THE DRAFT INTERIM

3. AT EMBASSY PRESS CONFERENCE HELD AT 1630Z, WHICH WAS VERY WELL ATTENDED BY LOCAL MEDIA, THE TEXT OF THE DRAFT INTERIM AGREEMENT AND A SLIGHTLY SHORTENED VERSION OF THE ACCOMPANYING MEMORANDUM WERE DISTRIBUTED.



HEATH

NNNN

SENT/RECD AT 20/1920Z AMT/VRW

OO MEXICO CITY
OO WASHINGTON
OO UKMIS NEW YORK
GRS 210
CONFIDENTIAL
FM FCO 202020Z MAY 82
TO IMMEDIATE MEXICO CITY
TELEGRAM NUMBER 424 OF 20 MAY
INFO IMMEDIATE UKMIS NEW YORK, WASHINGTON



- 1. THE MEXICAN AMBASSADOR CALLED ON ME AT THE HOUSE OF COMMONS THIS EVENING AT HIS URGENT REQUEST TO REITERATE, ON THE PERSONAL INSTRUCTIONS OF PRESIDENT LOPEZ PORTILLO, THE PRESIDENT'S OFFER TO PROVIDE A MEETING PLACE IN MEXICO FOR A DIALOGUE AT THE HIGHEST LEVEL. HE SAID THAT ARGENTINA HAD EXPRESSED WILLINGNESS TO ENTER INTO SUCH A DIALOGUE. THE AMBASSADOR EMPHASISED THAT MEXICO WAS NOT OFFERING MEDIATION BUT THOUGHT IT IMPORTANT AT THIS STAGE TO CONFIRM THAT THE DOORS REMAINED OPEN TO FACILITATE A MEETING.
- 2. I ASKED THE AMBASSADOR TO THANK THE PRESIDENT FOR HIS KIND OFFER WHICH I WOULD PASS TO THE PRIME MINISTER, TELLING HIM BRIEFLY WHERE WE STOOD AND REFERRING TO THE DIFFICULTIES OF KNOWING TO WHOM ONE COULD USEFULLY AND RELIABLY TALK ON THE ARGENTINE SIDE. THE AMBASSADOR SAID THAT HE SUPPOSED THAT THERE WOULD BE A NEED TO TALK FACE TO FACE AT SOME STAGE AND IF THE PRIME MINISTER WERE NOT WILLING TO MEET PRESIDENT GALTIERI PERHAPS THERE COULD BE A MEETING UNDER MEXICAN AUSPICES BETWEEN ME AND MY ARGENTINE COUNTERPART. I ASSURED THE AMBASSADOR THAT WE WOULD CONTINUE TO BEAR THE MEXICAN OFFER IN MIND.

PYM

FALKLAND ISLAND GENERAL

FCO

S AM D

CABINET OFFICE

ADDITIONAL DISTRIBUTION
FAIKLAND ISLANDS

CONFIDENTIAL

PS PS/ HURD PS/MR ONSLOW PS/PUS · IMMEDIATE MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS LORD N G LENNOX LORD BRIDGES MR URE MR GILLMORE HD/PUSD HD/S AM D HD/DEF DEPT HD/NEWS DEPT HD/ERD ED/ECD(E)HD/ITD HD/PLANNING STAFF MR-ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK Holar WED

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Muss Dickson, D/ENERGY

[ Passed to E.R.]

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CONFIDENTIAL

FM BONN 201859Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 467 OF 20 MAY

INFO IMMEDIATE UKMIS NEW YORK WASHINGTON ATHENS UKREP BRUSSELS

EMBASSY BRUSSELS COPENHAGEN DUBLIN THE HAGUE LUXEMBOURG PARIS

ROME

YOUR TELNO 90 TO ABIDJAN : FALKLAND ISLANDS

1. ACTION TAKEN TODAY WITH GENSCHER WHO TOOK NOTE AND SAID THAT HE HAD BEEN LISTENING TO THE PRIME MINISTER ON THE RADIO. I TOOK HIM THROUGH THE NEGOTIATIONS OF THE PAST 6 (SIX) WEEKS AND POINTED OUT THAT ARGENTINE INTRANSIGENCE HAD LED TO THE PRESENT IMPASSE.

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3. MEANWHILE HEAD OF CHANCERY ALSO TALKED TO ZELLER ( FEDERAL CHANCELLOR'S OFFICE) WHO INFORMED CHANCELLOR OF THE MESSAGE.

TAYLOR

NNNN

GM

SENT AT 201945Z LCD



# Foreign and Commonwealth Office

London SW1A 2AH

20 May 1982

A. J. C. 3

Dear John,

Falkland Islands: Views of Mr Edward Heath

You asked for advice on this.

The main point that Mr Heath made in the debate on 13 May was that the three amendments put forward by Argentina to the Peruvian proposals, and subsequently published, should be acceptable to us, with the possible, though doubtful, exception of the reference to Resolutions of different international organisations concerning the Islands. Later, Mr Heath intervened during Mr Nott's winding up speech to say that there must be some explanation of the fact that Argentina was reported to have made three amendments and yet HMG were saying that Argentina had rejected the Peruvian proposals.

We explained the situation to Mr Heath's office on 17 May on the following lines:

- As Mr Nott said in the House, the two versions of the Peruvian proposals which appeared in the Times on 10 May were not the ones we had been considering. The version we had received was one which already incorporated changes resulting from suggestions by Argentina and the United States. The version that Argentina later rejected incorporated further US amendments reflecting some of Britain's comments.
- b) There were several reasons why we did not accept the Peruvian/US proposals as they stood originally. In the version we received, and also in the published versions, there was no link in time between the first two elements in the list of points namely a ceasefire and Argentine
- withdrawal. Another difficulty was that the proposals implied, in the published versions and in different words in the version we received, that the administration of the Islands might be taken over very comprehensively by third parties. The charges we proposed covered in particular
- Islands might be taken over very comprehensively by third parties. The changes we proposed covered in particular these points. The position we took in accepting the final version of the Peruvian/US proposals was summarised in the Foreign and Commonwealth Secretary's statement in the House on 7 May.



Mr Pym will of course be prepared to deal with these points in the winding up speech if Mr Heath raises them again in the debate this afternoon.

yours eve

(J E Holmes) Private Secretary

A J Coles Esq 10 Downing Street

TOTINDS GENERAL (SQ) 21 PS PS/LR HURD PS/MR GMSLOW PS S MR BULLARD SIR I SINCLAIR MR GIFFAFD MR WRIGHT MR ADAMS LORD N G LENNOX LORD BRIDGES IMMEDIATE MR URE MR GILLMORE HD/PUSD HD/S AL! D HD/DEF DEPT HD/KEWS DEPT HD/ERD HD/ECD(E) HD/UD HD/FLANNING STAFF MR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK

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RM 8 FOR MODUK C IN C FLEET

Muss Dickson, D/ENERGY

[ Passed to E.R.]

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CONFIDENTIAL FM UKMIS NEW YORK 201955Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 797 OF 20 MAY 1982 INFO IMMEDIATE PARIS.

PARIS TELNO 527: FALKLAND ISLANDS

1. I HOPE THAT PARIS CAN BE INSTRUCTED URGENTLY TO CORRECT GUTMANN'S MISCONCEPTIONS ABOUT THE VETO REPORTED IN PARAGRAPH 2(A) OF THE TELEGRAM UNDER REFERENCE. AS UND AND LEGAL ADVISERS WILL BE AWARE FROM RECENT CORRESPONDENCE, THERE IS A RISK THAT THE PANAMANIANS MAY RENEW THEIR ATTEMPT TO ROB US OF OUR VOTE UNDER ARTICLE 27(3) OF THE CHARTER WHEN THE COUNCIL NEXT COMES TO VOTE ON THE FALKLANDS. WE HAVE STRONG ARGUMENTS TO DEPLOY IN DEFENCE OF OUR RIGHT TO VOTE, BASED ON THE FACT THAT RESOLUTION 502 WAS ADOPTED UNDER CHAPTER VII. BUT IT IS ESSENTIAL THAT WE SHOULD ENJOY FRENCH SUPPORT.

CONFIDENTIAL 985 360 CONFIDENTIAL FM LIMA 201845Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 187 OF 20 MAY AND TO IMMEDIATE UKMIS NEW YORK WASHINGTON Ineventable MIPT: FALKLANDS FOLLOWING IS OUR OWN TRANSLATION: BEGINS: NEW PEACE FORMULA IN THE SOUTH ATLANTIC SINCE THE POINTS OF VIEW OF THE UNITED KINGDOM AND ARGENTINA ON THE CONFLICT IN THE SOUTH ATLANTIC CANNOT BE RECONCILED IN A JOINT STATEMENT WHICH IS ACCEPTABLE TO BOTH PARTIES THE FOLLOWING FORMULA IS PROPOSED AS A SUBSTITUTE: 1. EACH NATION SUBSCRIBES UNILATERALLY TO THE LATEST PROPOSAL FOR AN AGREEMENT PRESENTED TO THE SECRETARY GENERAL OF THE UNITED NATIONS SEMICLN 2. THE SECRETARY GENERAL FULFILS THE CLAUSES IN WHICH THERE ARE POINTS OF AGREEMENT.' SUCH AS: (A) CEASEFIRE SEMICLN (B) MUTUAL WITHDRAWAL OF FORCES SEMICLN (C) ADMINISTRATION OF THE GOVERNMENT OF THE ISLANDS BY THE UNITED NATIONS OR BY A CONTACT GROUP, FORMED BY VARIOUS COUNTRIES, WITHIN A PERIOD WHICH IS AGREED IN THE TWO PROPOSALS SEMICLN 3. THE SECRETARY GENERAL OF THE UNITED NATIONS, DR PEREZ DE CUELLAR, OR THE CONTACT GROUP, ACCEPTABLE TO BOTH PARTIES, WHICH HE WILL PROPOSE, WILL BE RESPONSIBLE FOR ORGANISING AND PRESIDING OVER NEGOTIATIONS IN PERSUIT OF A PERMANENT SOLUTION AND FOR SUPERVISING THE IMMEDIATE WITHDRAWAL FROM THE ZONE OF CONFLICT OF THE FORCES OF BOTH COUNTRIES. ENDS. WALLACE COPIES SENT TO No. 10 DOWNING STREET FALKLAND ISLAND GENERAL FCO ADDITIONAL DISTRIBUTION S AM D FALKLAND ISLANDS CABINET OFFICE CONFIDENTIAL

H M TREASURY

XEROX COPIES

FCO RESIDENT CLERK PLUS FCO PS PS/MR HURD HD/ECD I (3) PS/PUS HD/NEWS MR BULLARD HD/ MR HANNAY HD/ .... LORD BRIDGES HD/.... HD/ .... CABINET OFFICE D.O.T. PLUS OGDS MR HANCOCK D A010.0.2. MR R GRAY MR D M ELLIOTT MR R H S WELLS WEG MR A M GOODENOUGH MR. S. WENTWORTH

SIR K COUZENS SIR B HAYES MR ASHFORD

CONFI DENTI AL FRAME GENERAL FM PARIS 201715Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 528 OF 20 MAY 1982 INFO IMMEDIATE UKREP BRUSSELS INFO PRIORITY ATHENS BRUSSELS COPENHAGEN THE HAGUE LUXEMBOURG ROME DUBLIN AND BONN

MAFF

FOREIGN AFFAIRS COUNCIL, 24/25 MAY: 30 MAY MANDATE

1. MITTERRAND'S STATEMENT IN ALGIERS (MY TEL NO 520) SEEKS TO PLACE THE BLAME FOR THE PRESENT SITUATION ON BRITAIN AND ALSO BROADENS THE DISPUTE. IT OFFERS LITTLE HOPE THAT THE FRENCH REPRESENTATIVE AT THE FOREIGN AFFAIRS COUNCIL ON MONDAY WILL HAVE A FLEXIBLE NEGOTIATING BRIEF TO REACH A RAPID SOLUTION ON THE RUNFAMJKINGDOM'S 1982 CFDK

WM SENIOR OFFICIALS IN THE QUAL AND THE SGCI TELL US THAT THER MINISTERS' DECISION TO PRESS FOR A VOTE AT THE AGRICULTURE COUNCIL TOOK THEM COMPLETELY BY SURPRISE. THEY HAD BEEN CONSISTENTLY RECOMMENDING AGAINST A VOTE ON THE GROUNDS THAT THE LUXEMBOURG COMPROMISE WOULD BE PLACED AT RISK. APPARENTLY MME

LUXEMBOURG COMPROMISE WOULD BE PLACED AT RISK. APPARENTLY MME
CRESSON OBTAINED AUTHORITY DIRECT FROM MITTERRAND. IT LOOKS AS
THOUGH MITTERRAND AND SCHMIDT MUST HAVE AGREED ON A COMMON
POSITION DURING THEIR MEETING IN HAMBURG BEFORE THE WEEKEND,
PERHAPS WITH AN UNDERSTANDING THAT THIS ACT OF VOTING WOULD NOT
SET A PRECEDENT. THE FRENCH ARE NOW CLAIMING THAT MITTERRAND
INFORMED THE PRIME MINISTER OF HIS INTENTIONS ON 17 MAY, THOUGH
IN FACT NOTHING WAS SAID ABOUT VOTING INTENTIONS. I UNDERSTAND
THAT CHEYSSON WAS SIMILARLY EVASIVE WHEN YOU SPOKE TO HIM ON 18
MAY.

- 3. TODAY'S FRENCH NEWSPAPERS HAVE RESPONDED ENTHUSIASTICALLY TO OFFICIAL BRIEFING AND THE PACK HAS CLEARLY BEEN UNLEASHED, WITH MME CRESSON'S SHRILL TONES THE MOST AUDIBLE. THE PRESS HAS UNAMIOUSLY EMPHASISED THAT MITTERRAND'S STATEMENT REPRESENTS A DIRECT CHALLENGE TO BRITISH POLICY AND TO BRITAIN'S PRESENCE IN THE COMMUNITY, THOUGH CHANDERNAGOR IS QUOTED AS SAYING THAT FRANCE . CERTAINLY DID NOT WANT BRITAIN TO WITHDRAW. SOME CONCERN IS NEVERTHELESS EXPRESSED ABOUT THE IMPLICATIONS FOR FRANCE OF THE BREACH OF THE LUXEMBOURG COMPROMISE, REFLECTING IN PARTICULAR STATEMENTS MADE BY GAULLIST SPOKESMEN, BUT THERE IS ALSO COMMENT ON THE DOMESTIC POLITICAL ADVANTAGES FOR MITTERRAND OF A TOUGH STANCE TOWARDS BRITAIN, ESPECIALLY ON FARM PRICES. THE PRESS CANVASSES THE VARIOUS OPTIONS NOW OPEN TO THE BRITISH GOVERNMENT NOTING THAT THE REACTION IN WHITEHALL HAS BEEN MEASURED, IN CONTRAST TO THE ANGRY TONE IN BRITISH NEWSPAPERS. YESTERDAY AFTERNOON'S ''LE MONDE'' CARRIES AN ARTICLE BY DELARUE WHICH OBVIOUSLY REPRESENTS THE ARGUMENTS WHICH THE QUAL IS COBBLING TOGETHER ON THE LEGAL ASPECTS OF THE LUXEMBOURG COMPROMISE.
  - 4. MITTERRAND IS EVIDENTLY NOW CONFIDENT OF HIS OWN GRASP OF EUROPEAN STRATEGY, BUT IT SEEMS TO DERIVE IN LARGE PART FROM A SET OF SIMPLISTIC PROPOSITIONS ABOUT THE COMMUNITY AND BRITAIN'S ROLE IN IT. THESE IDEAS ARE ROOTED IN TRADITIONAL FRENCH PROTECTIONISM: HE FEELS IN HIS BONES THAT TO IMPORT FROM OUTSIDE THE COMMUNITY VIOLATES THE PURPOSES OF THE COMMUNITY AND SHOULD BE PENALISED, THAT THIS IS THE WHOLE POINT OF THE OWN RESOURCES SYSTEM, THAT BRITAIN IS TRYING TO FRUSTRATE THE OPERATION OF THE SYSTEM AND TO CLING TO ITS OLD COMMONWEALTH TRADING LINKS, AND THAT CONCESSIONS ON THE BUDGET MERELY REDUCE THE PRESSURE ON BRITAIN TO CONFORM TO COMMUNITY PRINCIPLES. HE HAS SO FAR SHOWN HIBBELFARNHERMGOUTHESE IDEAS. THESE CONCEPTS LEAD TO AN INCREASINGLY LOFTY ATTITUDE TOWARDS THE UNITED KINGDOM IN RELATION TO COMMUNITY MATTERS, ON THE LINES ADOPTED

\*CONCEPTS LEAD TO AN INCREASINGLY LOFTY ATTITUDE TOWARDS THE UNITED KINGDOM IN RELATION TO COMMUNITY MATTERS, ON THE LINES ADOPTED BY GENERAL DE GAULLE, WHOSE STYLE HE ADMIRES. HE SEEMS TO BELIEVE THAT FRANCE AND GERMANY CAN FACE BRITAIN WITH LITTLE CHOICE BUT TO ACCEPT EX GRATIA BUDGET REPAYMENTS, AND THAT ANY COUNTER-ACTION WHICH BRITAIN MIGHT CONSIDER COULD BE DEEMED TO RAISE THE QUESTION OF BRITISH SUITABILITY TO REMAIN A MEMBER OF THE COMMUNITY. HE SEEMS SURE THAT HE CAN REPAIR THE DAMAGE DONE TO THE LUXEMBOURG COMPROMISE, ESPECIALLY IF THE GERMANS STICK WITH HIM, AND THAT IN ANY CASE BRITAIN HERSELF WILL HAVE A PARAMOUNT INTEREST IN PRESERVING THE COMPROMISE.

5. IT IS NOT YET CLEAR WHETHER CHEYSSON OR CHANDERNAGOR WILL REPRESENT FRANCE AT THE COUNCIL ON MONDAY. CHEYSSON IS IN AFRICA ACCOMPANYING MITTERRAND, BUT OFFICIALS HAVE BEEN TALKING ABOUT CALLING HIM BACK FOR THE COUNCIL. MITTERRAND IS CONTINUING TO TAKE THE LINE THAT THE 30 MAY AGREEMENT WAS BAD FOR FRANCE AND THE COMMUNITY. IT LOOKS AS THOUGH CHEYSSON/CHANDERNAGOR WILL BE TOLD TO STICK FIRMLY ON MONDAY TO THE 800 MECU OFFER, BASED BROADLY ON THE COMMISSION PROPOSAL. AND TO BRAZEN IT OUT ON THE LUXEMBOURG COMPROMISE WITH THE SUPPORT OF THE GERMANS AND THE ITALIANS. MITTERRAND MUST BE WELL AWARE THAT FAILURE TO REACH AGREEMENT ON MONDAY WILL PLUNGE THE COMMUNITY MORE DEEPLY INTO DIFFICULTY, AND THE FRENCH PRESS IS FULL OF REFERENCES TO FRANCO-GERMAN DETERMINATION TO SIT OUT A LONG-TERM CRISIS. GIVEN MITTERRAND'S ATTITUDE, NO USEFUL PURPOSE SEEMS LIKELY TO BE SERVED BY TRYING TO PERSUADE HIM TO CHANGE HIS MIND THROUGH A PERSONAL MESSAGE. IN ANY CASE HE HAS NOT REPLIED TO THE PREVIOUS MESSAGE. AND TACTICALLY IT SEEMS UNWISE TO APPEAR TO BE RUNNINGSAFTER THE FRENCH.

FRETWELL

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REPEAT LAST TWO LINES PARA 1 AND FIRST LINE PARA 2
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LINE AFTER
BRITAIN TO CONFORM TO COMMUNITY PRINCIPLES. HE HAS SO FAR SHOWN

REPEAT LAST TWO LINES PARA 1 AND FIRST LINE PARA 2 LINE AFTER BRITAIN TO CONFORM TO COMMUNITY PRINCIPLES. HE HAS SO FAR SHOWN KK TIC PSE ERE LAST TWO LINES OF PARA 1 A FLEXIBLE NEGOTIATING BRIEF TO REACH A RAPID SOLUTION ON THE UNITED KINGDOM'S 1982 CONTRIBUTION. 2. SENIOR OFFICIALS IN THE QUAL AND THE SGCI TELL US THAT THEIR MINISTERS' ETC OK SO FAR KK RRR WOT PAP PARA IS THE OTHER BIT IN PSE I CAN T SEE IT FOR LOOKING K 444444 HIMSELF IMPERVIOUS TO ARGUMENT REFUTING THESE IDEAS. THESE CONCEPTS LEAD TO AN INCREASINGLY LOFTY ATTITUDE TOWARDS THE UNITED 0 K

New Note's Statement at 20.25 Bibil Time
21 May

- 1. Following the raids which we announced earlier today British forces have now established a firm bridgehead on the Falkland Islands. Royal Marine commandos and the Parachute Regiment are now ashore in substantial numbers with artillery of defence weapons and other heavy equipment already disembarked from our ships. These landings were unopposed. A secure land base is being consolidated.
- 2. During the night several landings and raids were made by our forces in different parts of the Falkland Islands. Some of these forces have remained ashore. Argentine forces have suffered casualties and some prisoners have been taken. These operations continue.
- 3. As we expected our ships have come under heavy air attack five have been damaged, two seriously. There will have been British casualties but we have no details. Our Harriers and missiles have destroyed seven Mirages, five Skyhawks and two Puccaras. Two Argentine Helicopters a Chinook and a Puma have been destroyed on the ground. We have lost two of our small helicopters.
- 4. Seven weeks after the Argentine aggression British forces are tonight firmly established back on the Falkland Islands.

PRESS INFORMATION 7. bles MINTS.

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Consultant

Astrologer From: 17 Abbey Gardens, St. John's Wood. N.W.8. Tel: 01-624 1305 PETER J. CLARK There are apparently two options for the government in the present crisis over the Falklands, to invade or to blockade. After studying several charts of responsible persons I have concluded that the second course, that of blockading the islands, would be the more advisable. Mrs. Thatcher's chart indicates that she will neither enjoy a diplomatic solution, nor an unqualified

victory, for several months and it would be better to withold action.

Her particularly difficult time will come when the Sun passes the solstice on the 21/22nd June, when she will experience aggressive hostility and disarray with her colleagues. Late August will also bring disheartening frustrations which appear to concern territorial/ economic issues and relations with other countries.

Rear Admiral Woodward's chart also shows a general background of disenchantment for June which would be inauspicious for an invasion, whereas General Menendez, Argentinian commander of the Falklands, will enjoy some easement of his position.

The chart of Admiral John Fieldhouse also looks discouraging from now until at least after August.

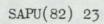
Any battles would not bring the quick flush of victory.

General Galtieri's chart is not particularly unfavourable currently but September will be the crisis month for him. The indications of his defeat are shown in his chart.

The chart of Prince Andrew, now serving aboard the Invincible, looks secure. No hazardous aspects are indicated.

The time-honoured principle astrologers follow is that any action of commitment made when the aspects are afavourable will work out well, whereas activity undertaken when the aspects are unpropitious brings negative results. I therefore think that rather than risk a carnage discretion will prove the better part of valour.

Admiral Woodward will undoubtedly feel demoralised if no early action is taken but he would feel equally dismayed if the invasion plans should fail.



## SOUTH ATLANTIC PRESENTATION UNIT (SAPU)

The attached paper contains information on the efforts that are being made to put across Britain's case overseas.

Cabinet Office

20 May 1982

#### OVERSEAS INFORMATION EFFORT

Since the Argentine invasion on 2 April special efforts have been made to put across Britain's case overseas. British diplomatic posts abroad have been fully briefed by means of material including 36 verbatim texts of important government statements, 42 telegrams giving guidance to posts worldwide on specific issues, and 8 full length "Background Briefs". Our Ambassadors and their staffs have spoken frequently on TV and radio and to the media.

The Central Office of Information have produced a short film and are preparing another. They and HMSO have distributed widely a pamphlet "The Falkland Islands - The Facts" in 6 languages for which the print runs have so far totalled 60,000 (and which is available to all MPs). The COI are also sending to all posts a photo-display on the Falkland Islands. Their London Press Service is producing an average of two articles a day covering important developments. In addition COI are sending a daily summary in Spanish of important ministerial statements to our Latin American posts. They have also started a radio service for 8 Spanish speaking countries as an extension of their "Newsline" service already sent to 6,000 radio stations in the United States and other English speaking countries. In all these COI services full use is made of statements put out by the Ministry of Defence.

FCO News Department's regular press conferences have attracted a larger than usual attendance by foreign correspondents resident in London. Regular unattributable briefings have also been given for foreign correspondents. In addition the Prime Minister's Press Secretary, assisted by the FCO, has given weekly briefings for members of the Foreign Press Association.

## The BBC External Services

Apart from the 24 hour-a-day World Service in English there are 36 vernacular language services all giving extensive coverage of the Falklands issue. The British case is getting across well as is proved by Argentine efforts to jam the BBC's Spanish Service to Latin America. FCO have authorised an increase in the number of hours broadcast in this latter Service from 4 hours per day before the crisis to  $5\frac{1}{2}$  hours now, and the BBC are using more frequencies to get round jamming. The BBC's special 40 minute English broadcasts to the Falklands have gone up from 1 a week to 7 and FCO Ministers have spoken regularly on them.

#### Overseas Television

Most overseas TV stations have contracts with the BBC's and ITV's Agencies Visnews and UPITN and are putting out the same material as is seen on British TV screens. Certain foreign TV companies have arranged special interviews with British Ministers.

## MOD Broadcasts (Radio Atlantico del Sur)

The Government has taken over one of the BBC's transmitters to broadcast its own programmes specifically to the Argentine occupation forces on the Falklands. The objective is to give the Argentine troops a true picture of events in the South Atlantic and of the present crisis rather than the highly distorted version given by Argentine propaganda. Because of the very specific aims of the station, is being operated, and the programmes produced by, the Ministry of Defence and neither the BBC or COI will be involved.





20 May 1982

### FALKLANDS

I enclose a telegram which the Prime Minister has received from Mr. Anton Keller, apparently on behalf of members of the Swiss Parliament. The telegram appears to have been copied widely and I note that a copy was sent to the Foreign and Commonwealth Secretary.

I should be grateful if you could arrange for an appropriate reply to be sent on behalf of the Prime Minister.

AJC

John Holmes, Esq., Foreign and Commonwellth Office.

ADVANCE COPY

IMMEDIATE

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ATTN THE PRIME MINISTER AND THE FOREIGN MINISTER

URGENT

RE: SOUTH ATLANTIC ISLANDS CONFLICT

YOUR EXCELLENCY,

THIS IS TO FOLLOW UP ON OUR PREVIOUS COMMUNICATIONS ON THIS SUBJECT. AS NONE OF THE FORMULAS SO FAR CONSIDERED SEEM TO PROVIDE A SUFFICIENTLY STRONG COMMON DENOMINATOR FOR DEFUSING AND RESOLVING THE INCREASINGLY COSTLY AND DANGEROUS CONFLICT, "E RECOMMEND THAT URGENT CONSIDERATION BE GIVEN TO A MORE-THAN-MERELY-THERAPEUTIC IMPLEMENTATION OF THE MUTUALLY VENERATED HUMANITARIAN GENEVA CONVENTIONS.

NOBODY HAS A MONOPOLY FOR GOOD IDEAS WHICH MAY ALSO TAKE CARE OF TOMORROW'S NEEDS. IT MAY THUS BE HIGHLY INDICATED FOR ALL PARTIES CONCERNED TO FULLY EXPLORE THIS PERHAPS UNCONVENTIONAL AVENUE WHICH WAS FIRST RAISED PUBLICLY BY ANOTHER PARLIAMENTARIAN. ON APRIL 29, THE HONORABLE LORD KENNET, A MEMBER OF THE BRITISH OPPOSITION COALITION, OFFERED THE FOLLOWING NOTEWORTHY OBSERVATIONS IN THE HOUSE OF LORDS:

PLAY A USEFUL ROLE AND A LARGER ONE THAN THEY HAVE PLAYED IN ANY MODERN CONFLICT. THE FOURTH GENEVA CONVENTION AGREES THAT THE RED CROSS MAY DO VARIOUS THINGS THICH GO A STARTINGLY LONG WAY BEYOND THE TRADITIONAL DASHING ABOUT WITH STRETCHERS AND DELIVERING PARCELS TO PRISONERS. IF IT IS TRUE THAT THE ARGENTINIANS HAVE ALREADY ADMITTED RED CROSS TEAMS TO THE ISLANDS, THAT IS SOMETHING TO BUILD ON. ...

THE UNITED NATIONS ITSELF IS OF COURSE STILL THE BEST HOPE FOR A MEDIUM-TERM SETTLEMENT, AS OPPOSED TO A SHORT-TERM ONE. WHEN THE ARGENTINIANS AGREE TO LEAVE, THERE WILL PROBABLY HAVE TO BE A FED GROSS PRESENCE AND A UNITED NATIONS ONE. THE LATTER COULD SROW INTO SOME SORT OF PEACE-KEEPING FORCE, HOWEVER SMALL, AND A TRUSTEESHIP ARRANGEMENT COULD GROW OUT OF THAT. ...

IS IT NOT THE CASE THAT ARTICLE 14 (AND NOW ARTICLE 15) OF THE FOURTH GENEVA CONVENTION WOULD ALLOW THE INTERNATIONAL RED CROSS, IF INVITED BY THE RELEVANT PARTIES, TO SET UP SAFETY ZONES (FOR THE AFFECTED CIVILIANS -- NOW NEUTRALIZED ZONES WITH A SCOPE COMMENSURATE TO THE AUGMENTED HUMANITARIAN NEEDS) IN A ZONE OF COMBAT, WHICH MAY OR MAY NOT BE A ZONE OF DECLARED WAR, AND TO ADMINISTER THOSE ZONES? AND ... IS IT NOT THE CASE THAT YESTERDAY (I.E. APRIL 23) THE INTERNATIONAL COMMITTEE OF THE RED CROSS COMMUNICATED TO THE BRITISH AND ARGENTINE GOVERNMENTS ITS WILLINGNESS TO DO SO IN THE FALKLANDS, IF INVITED? (HANSARD, 975, 1035)

OUR CONSULTATIONS TO-DATE ALONG THESE LINES HAVE LEAD TO THE FOL-LOWING REVISED PROPOSAL FOR A FRAMEWORK FOR DEFUSING THE CONFLICT AND FOR A HONORABLE AND LASTING NEGOTIATED SETTLEMENT OF SAME. WE BRING IT TO YOUR EXCELLENCY'S ATTENTION IN THE HOPE THAT IT MAY SOMEHOV BENEFIT YOUR OWN RESPECTIVE UNTIRING EFFORTS AND THUS FACILITATE SUCH AN EARLY OUTCOME. WE REMAIN AT YOUR ENTIRE DISPOSITION FOR ASSISTING YOU IN ANY WAY DEEMED INDIGATED TOWARDS THE ABOVE ENDS.

BEST WISHES AND REGARDS, ON BEHALF OF MEMBERS OF THE SWISS PARLIAMENT.

H. ANTON KELLER

PARLIAMENTARY ADVISER, WENKENHOF, 4125 RIEHEN, SWITZERLAND, TF: 061/496848, TX: 63113 TXKAB CH (ATTN KELLER 496848)

CC: AMERICAN, ARGENTINE, BRAZILIAN, BRITISH, PERUVIAN AND SWISS FOREIGN MINISTRIES, UN SECRETARY GENERAL, ICRC, ARGENTINIAN AND BRITISH AMBASSADORS TO THE UN AND THE CICR

DRAFT AGREEMENT TOWARDS RESULVING OUTSTANDING ISSUES CONCERNING THE ARGENTINE REPUBLIC AND THE UNITED KINGDOM

DESIROUS TO PROMOTE THE WELFARE OF THE INHABITANTS OF THE DISPUTED SOUTH ATLANTIC ISLANDS, AND TO FURTHER THE ARGENTINE AND THE BRITISH EFFORTS TO THIS END,

WITH DUE REGARD TO THE LEGITIMATE ASPIRATIONS, RIGHTS AND RESPONSI-BILITIES OF THE INVOLVED PEOPLES,

TRUSTING THESE FUNDAMENTAL INTERESTS TO BE BEST SERVED AND TO BE SPEEDILY BROUGHT IN LINE WITH EACH OTHER IF CONDITIONS WILL PROVIDE FOR THE RELEVANT RESOLUTIONS OF THE UN GENERAL ASSEMBLY AND THE UN SECURITY COUNCIL TO BE IMPLEMENTED PROMPTLY AND IN ACCORDANGE WITH THE APPLICABLE PRINCIPLES AND THE UNITED NATIONS CHARTER.

THE SIGNATORY STATES HAVE AGREED AS FOLLOWS:

- 1. IN ACCORDANCE WITH THEIR OBLIGATIONS UNDER THE GENEVA CONVENTIONS,
  THE SIGNATORY STATES HAVE UNDERTAKEN TO PROVIDE FOR THE PROMPT,
  UNIMPEDED AND SECURE EXERCICE OF THE FUNCTIONS OF THE DELEGATES
  OF THE INTERNATIONAL COMMITTEE OF THE RED CROSS (ICRC),
  INCLUDING THE ESTABLISHMENT OF A NEUTRALIZED ZONE IN THE SENSE
  OF ARTICLE 15 OF THE FOURTH GENEVA CONVENTION OF AUGUST 12, 1949,
  WHICH ZONE IS TO BE ADMINISTERED BY ICRC DELEGATES WHO, IN
  PARTICULAR, AND IN CONSULTATION WITH ARGENTINIAN, BRITISH AND
  THE ISLANDERS' REPRESENTATIVES, SHALL TEMPORARILY PROVIDE FOR
  THE WELFARE OF THE ISLANDS' INHABITANTS.
  - PROMPTLY AND TOTALLY TO WITHIN THEIR UNDISPUTED BORDERS OF SOVEREIGNTY, BEGINNING WITH THE CEASE-FIRE AT ..., AND ENDING NOT LATER THAN ....
- THE SIGNATORY STATES HEREBY UDINTLY INVITE ... (E.G. THE UNITED TIONS, ONE OR BOTH OF THE PROTECTING POWERS BRAZIL AND SWITZER-WID, AND/OR SUCH MUTUALLY ACCEPTABLE THIRD NATIONS AS PERU AND THE UNITED STATES OF AMERICA)

A) TO DISPATCH TO THE AREA OF DISPUTE A TEAM OF MILITARY OBSERVERS WHOSE TASK SHALL BE THE MONITORING AND VERIFICATION OF THE FULFILLMENT OF SAID TROOP CONFINEMENTS.

AND, FOR THE TIME FOLLOWING THE LIFTING OF THE NEUTRALIZED ZONE,

- ADMINISTRATOR WHO, IN CONSULTATION WITH ARGENTINIAN, BRITISH AND THE ISLANDERS' REPRESENTATIVES, SHALL TEMPORARILY PROVIDE FOR THE WELFARE OF THE ISLANDS' INHABITANTS, AS WELL AS FOR THE PROPER ADMINISTRATION OF THE ISLANDS' RESOURCES,
- C) TO APPOINT A MEDIATOR WHOSE TASK SHALL BE THE PROMOTION OF A PROMPT AND EQUITABLE SETTLEMENT OF THE OUTSTANDING ISSUES, IN ACCORDANCE WITH THE ESTABLISHED PRINCIPLES OF INTERNATIONAL LAW, IT BEING UNDERSTOOD THAT IN THIS COURSE BOTH PARTIES MAY SEEK A FINAL AND MUTUALLY BINDING DECISION TO BE RENDERED BY WAY OF ARBITRATION.

WELL RECEIVED????

YES TKS

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telno 436 UKMIS New would not be issued until 1100Z 20 May.

IIS New York

6. Throughout the day events had been moving rapidly in New York. The Secretary General telephoned the Argentine Foreign Minister during the morning and was contemplating despatching envoys to London and Buenos Aires. At a working lunch with the Secretary General, Sir A Parsons asked him to tell the Argentines that HMG had found their response totally unacceptable. We had therefore drawn a line under the current negotiations. Although the Secretary General undertook to pass this information he indicated that he still intended to keep his options open.

IIS New York no 789 7. The Secretary General subsequently telephoned President Galtieri and the Prime Minister. Reportedly, his conversation with Galtieri had been ''grotesque''. The latter argued that the British were inflexible and suggested a meeting of Foreign Secretaries in New York. Conversely, the Secretary General was ''delighted'' with his conversation with the Prime Minister although he formed the idea that she had not excluded the continuation of the present round of negotiations.

IIS New York no 790 8. There was an informal meeting of the Security Council to hear a report by the Secretary General on the progress of his initiative. The meeting went well and there was no call for a formal meeting of the Security Council. Sir A Parsons felt that our position was comfortable following this meeting.

IIS New York no 791

## Washington Developments

9. Mr Haig has been keeping Sir N Henderson informed of American reactions to developments in the UN and to reports of the UN Secretary General's initiative. In their first conversation Haig said that Mrs Jeane Kirkpatrick had reported from the UN that she had found the British proposal very reasonable and had urged the Argentines to accept it. She also reported that the UN Secretary General had characterised the British line as hard but fair and had also urged Argentine acceptance. In the second conversation which took place when reports of the UN Secretary General's initiative had started to circulate, Haig said he thought that the Secretary General's plan would probably be something which we could live with although he realised our time difficulty. He also said that he believed the Argentines would accept the Secretary General's plan.

hington no 1823 to of 19 May

#### Comment

- 10. The Secretaty General's decision to produce his own paper has added a new and awkward element to the situation. The main points requiring urgent consideration today are:
- (a) instructions to Sir A Parsons on how to respond to the Secretary General's aide memoire. Our reaction has been asked for as soon as possible this morning, New York time. Sir A Parsons proposes a line to take in paragraph 6 of UKMIS New York telno 793;

SECRET (b) how to handle the Secretary General's intervention with the press and in Parliament, taking into account that the Secretary General has said in public that he has proposed ideas to us and to Argentina; the timing and content of a statement this morning (c) at 1100Z; The Secretary General's aide memoire deals only with areas where, in his view, there remain serious disagreements. Although, as Sir A Parsons has commented, they are more favourable to us than to Argentina, they contain various points of difficulty, eg: that the Dependencies should be included in negotiations for a final settlement; (b) reference to UN resolutions: (c) flags; fuzziness on the extension of a UN administration if the first target is not met; (e) consideration of 'relaxation of restrictions on residence and acquisition of property'. Emergency Unit 20 May 1982 SECRET

NYFO 505/20 ZZ FCO 2 1 MAY 1982 GR 218 UNCLASSIFIED FM UKMIS NEW YORK 200113Z MAY 82 TO FLASH FCO TELEGRAM NUMBER 792 OF 19 MAY INFO IMMEDIATE WASHINGTON FALKLANDS: SECRETARY-GENERAL'S INITIATIVE 1. THE FOLLOWING IS A STATEMENT ISSUED BY THE SECRETARY-GENERAL FOLLOWING THE INFORMAL CONSULTATIONS OF THE SECURITY COUNCIL THIS EVENING (19 MAY) (SEE MY TEL NO 798): .. I MUST STATE THAT WE ARE AT A VERY DANGEROUS POINT IN THE EFFORTS FOR AN AGREEMENT BETWEEN ARGENTINA AND THE UK. THE TIME LEFT FOR NEGOTIATIONS MUST NOW BE MEASURED IN HOURS. IN MY JUDGEMENT SUBSTANTIAL PROGRESS HAS BEEN MADE OVER THE PAST TWO WEEKS. THIS WILL BE LOST IF THE PRESENT OPPORTUNITY FOR NEGOTIATIONS DISAPPEARS. I HAVE SUGGESTED CERTAIN IDEAS WHICH I BELIEVE MIGHT BE OF ASSISTANCE IN OVERCOMING THE REMAINING POINTS OF DIFFERENCE. THIS AFTERNOON, I HAVE SPOKEN TO BOTH PRESIDENT GALTIER! AND PRIME MINISTER THATCHER TO EXPRESS MY VIEWS AND MY VERY CREAT CONCERN. THE COST OF FAILURE IN TERMS OF HUMAN LIFE AND SUFFERING IS TOO HIGH TO PERMIT US TO GIVE UP OUR EFFORTS. AT THIS DECISIVE MOMENT, THE LAST URGENT EFFORT IS NEEDED TO REACH THE ACCOMMODATION NECESSARY FOR A REASONABLE SETTLEMENT. I AM PERSUADED THAT THIS CAN BE DONE WITHOUT PREJUDICE TO THE RIGHTS, CLAIMS OR POSITION OF EITHER PARTY. WE MUST CONTINUE TO WORK FOR PEACE WITHOUT JEOPARDY TO PRINCIPLE." PARSONS

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TO FLASH FCO
TELEGRAM NUMBER 793 OF 19 MAY
INFO IMMEDIATE WASHINGTON

MY TELS 789 TO 791 : FALKLANDS



- 1. SINCE MY TELS UNDER REFERENCE WERE DESPATCHED, THE SECRETARYGENERAL HAS DROPPED AN EXTREMELY EMBARRASSING BOMBSHELL. AS YOU
  KNOW, I HAVE BEEN HOLDING HIM BACK SINCE LAST FRIDAY FROM
  PRODUCING HIS OWN PAPER. MY MOST RECENT EFFORTS, WHICH I THOUGHT
  HAD BEEN SUCCESSFUL, WERE MADE THIS MORNING (MY TEL NO 786, PARA 3).

  2. HOWEVER, HE HAS NOW LAUNCHED HIS PAPER (TEXT IN MIFT) AND
  HAS SENT COPIES TO ME AND ROS (ARGENTINA) WITH THE REQUEST THAT WE
  SHOULD TRANSMIT THEM TO OUR GOVERNMENTS OVERNIGHT AND LET HIM HAVE
  A REACTION AS EARLY AS POSSIBLE TOMORROW MORNING (28 MAY).
  HE HAS ALSO HINTED AT THIS DEVELOPMENT IN HIS PRESS STATEMENT
  REPORTED IN MY TELNO 792.
- 3. WHEN WE REMONSTRATED WITH HIS STAFF THAT THIS MOVE WAS INCONSISTENT WITH THE BRITISH POSITION AS I HAD DESCRIBED IT TO HIM AS RECENTLY AS LUNCH TIME TODAY, AND AS THE PRIME MINISTER HAD EXPLAINED IT TO HIM ON THE TELEPHONE, THEY SAID THAT HE HAD BEEN ENCOURAGED TO MAKE IT BY THE PRIME MINISTER'S CONCLUDING REMARKS IN HER CONVERSATION WITH HIM WHEN SHE HAD SAID SHE WOULD BE PREPARED TO LOOK AT ANY FRESH PROPOSALS. IT LOOKS THEREFORE AS THOUGH PEREZ DE CUELLAR, IN HIS DESPERATE DESIRE NOT TO SIGN OFF, HAS CHOSEN TO IGNORE THE CLARIFICATION OF THE PRIME MINISTER'S REMARKS WHICH I GAVE HIM THIS EVENING (MY TEL NO 789, PARA 4). 4. THE PAPER IS VERY CLEVERLY DRAFTED AND IS UNDOUBTEDLY MORE FAVOURABLE TO US THAN TO ARGENTINA. BUT I FULLY REALISE THAT IT HAS COME TOO LATE, ALTHOUGH HIS PUBLIC HINT AT ITS EXISTENCE (WHICH MAY BE AMPLIFED BY LEAKS FROM THE SECRETARIAT) IS LIKELY TO GIVE YOU DIFFICULTIES IN THE COMMONS DEBATE. I ALSO REALISE THAT THE ARGENTINES ARE LIKELY TO ACCEPT IT AS A BASIS FOR NEGOTIATION. AS IT CONTAINS THE SEEDS FOR WEEKS OF FURTHER

5. FOR EXAMPLE, THE DETAILS OF WITHDRAWAL, VERIFICATION AND NON-REINTRODUCTION WOULD HAVE TO BE SPELT OUT AND NEGOTIATED. S ROOM FOR ENDLESS ARGUMENT ABOUT WHETHER OR NOT THE DEPENDENCIES SHOULD BE INCLUDED IN THE DIPLOMATIC NEGOTIATIONS AND EXCLUDED FROM THE WITHDRAWAL PROCESS. THE ARGENTINES COULD NOT BE EXPECTED TO AGREE OUT-OF-HAND TO THE FORMULATIONS ON TERMS OF REFERENCE FOR NEGOTIATIONS, WHICH ARE GENERALLY FAVOURABLE TO US. THE SAME IS TRUE OF THE INTERIM ADMINISTRATION. AND THERE ARE OTHER POINTS. TO PUT IT IN A NUTSHELL, THE PAPER WOULD HAVE FORMED A GOOD BASIS FOR NEGOTIATIONS TEN DAYS AGO, BUT IT IS NOTHING BUT AN EMBARRASSMENT TO US NOW. 6. THE ONLY COURSE OF ACTION I CAN SUGGEST IS THE FOLLOWING. I COULD SAY TO THE SECRETARY-GENERAL TOMORROW (20 MAY) THAT HIS PAPER DIFFERS IN CERTAIN IMPORTANT RESPECTS FROM OUR BOTTOM LINE AS PRESENTED TO HIM ON 17 MAY, ALTHOUGH WE RECOGNISE ITS POSITIVE ASPECTS. A FORTIOR! IT DIFFERS FUNDAMENTALLY FROM THE PRESENT ARGENTINE POSITION AS COMMUNICATED TO US TODAY (19 MAY). EVEN IF IT WERE ACCEPTABLE TO BOTH PARTIES AS A BASIS FOR NEGOTIATIONS THERE CAN BE NO DOUBT THAT NEGOTIATION OF IT WOULD TAKE MANY DAYS, IF NOT WEEKS, TO REACH EITHER SUCCESS OR FAILURE. HE KNEW HOW SERIOUS I WAS ABOUT OUR DEADLINE OF MIDDAY NEW YORK TIME TODAY (19 MAY). EVEN IF WE WERE PREPARED TO NEGOTIATE ON THE BUSIS OF HIS PAPER, WE WOULD FIRST WISH TO SEE DETAILED ARGENTINE COMMENTS ON IT, GOING BEYOND A SIMPLE AGREEMENT TO ACCEPT IT AS A BASIS FOR NEGOTIATION. MEANWHILE, I WOULD HAVE TO MAKE CLEAR TO HIM THAT THE EXISTENCE OF HIS PAPER WOULD NOT AFFECT ANY MILITARY PLANS WE MIGHT HAVE - I WOULD NEED TO SAY THIS NOT ONLY IN ORDER TO MAINTAIN GOOD FAITH BUT IN ORDER TO AVOID ANY IMPLICATION THAT WE WERE ALLOWING OUR HANDS TO BE TIED BY THIS LAST MINUTE INITIATIVE. \_

YOU MAY NOT WISH ME TO SAY THIS, BUT I COULD GO ON TO SAY THAT,

THE SITUATION ON THE GROUND MIGHT CHANGE IN SUCH A WAY AS TO

WHILE WE WERE WAITING FOR DETAILED ARGENTINE COMMENTS ON HIS PAPER,

PARSONS

SUPERCEDE THIS IDEA.

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ACTION

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ZZ UKMIS NEW YORK '
ZZ WASHINGTON
GRS 499
SECRET
FM FCO 191200Z MAY 82
TO FLASH UKMIS NEW YORK
TELEGRAM NUMBER 431 OF 19 MAY
INFO FLASH WASHINGTON
YOUR TEL NOS 780 AND 781

- 1. YOUR OBJECTIVES FOR TODAY ARE:-
- A) TO OBTAIN FINAL ARGENTINIAN VIEWS IN WRITING. THE MORE UNREASONABLE THEY ARE THE BETTER FROM OUR POINT OF VIEW:
- B) TO GET THE SECRETARY GENERAL TO ANNOUNCE THAT HIS EFFORTS HAVE COME TO AN END IN A MANNER AS ACCEPTABLE AS POSSIBLE FROM OUR POINT OF VIEW BUT NOT(NOT) BEFORE 6 PM NEW YORK TIME:
- C) TO CONVEY IN APPROPRIATE FASHION AND AT THE RIGHT TIME THAT THE ARGENTINIAN POSITION IS UNACCEPTABLE TO US AND THAT THE DEADLINE HAS PASSED:
- D) TO HANDLE THE PRESS.
- 2. AS REGARDS ARGENTINIAN VIEWS (OBJECTIVE(A)) THE SUMMARY CONVEYED TO US IN YOUR TEL NO 780 IS EQUIVOCAL AND OF COURSE IN MANY RESPECTS UNACCEPTABLE, NOTABLY OVER THE DEPENDENCIES AND OVER ACCESS FOR ARGENTINE PEOPLE IN THE INTERIM PERIOD. THEY ARE ALSO UNSATISFACTORY ON BOTH THE MODALITIES AND THE TIMING OF WITHDRAWAL AND AS YOU POINTED OUT TO THE SECRETARY GENERAL OVER ARTICLES 6(3) AND (4). YOU SHOULD THEREFORE CONFIRM TO THE SECRETARY GENERAL THAT THIS IS OUR FORMAL VIEW WHICH WILL NO DOUBT BE REINFORCED WHEN YOU SEE, AS YOU WERE PROMISED. THE FULL ARGENTINE POSITION IN WRITING. YOU COULD GO ON TO ASK THE SECRETARY GENERAL TO ASK ROS URGENTLY TO CONVEY THE ARGENTINE FORMAL POSITION TO HIM IF HE HAS NOT ALREADY DONE SO. BY THE EXISTING DEADLINE OF NOON NEW YORK TIME TODAY. THIS IS OF COURSE HIS DEADLINE (ALTHOUGH YOU PUT IT TO HIM ORIGINALLY). YOU SHOULD TELL THE SECRETARY GENERAL THAT IF ARGENTINA DOES NOT REPLY OR REPLIES IN ANY WAY OTHER THAN TO ACCEPT THE BRITISH DRAFT AGREEMENT WE SHALL CONSIDER HER TO HAVE

REJECTED IT AND TO HAVE BROUGHT THE NEGOTIATIONS TO AN END.
YOU CAN CERTAINLY TELL THE SECRETARY GENERAL THAT OUR
DISAPPOINTMENT WITH THE ARGENTINE RESPONSE IN NO WAY DETRACTS
FROM OUR APPRECIATION OF THE EFFORTS WHICH HE HIMSELF HAS MADE.

- 3. AS REGARDS OBJECTIVE B) IT IS, AS YOU KNOW, OF GREAT IMPORTANCE TO US THAT THE SECRETARY GENERAL HIMSELF SHOULD ACCEPT AND MAKE CLEAR IN PUBLIC THAT HIS NEGOTIATIONS ARE AT AN END. GIVEN THE TIMETABLE HERE WHICH THE PUS EXPLAINED TO YOU, WE DO NOT WANT THE NEWS TO BREAK TOO EARLY, HENCE OUR DESIRE THAT HE SHOULD NOT(NOT) ACT BEFORE 6 PM NEW YORK TIME. YOU CAN PERHAPS SPIN THINGS OUT BY HAVING A SECOND MEETING OR HE COULD BE DISCUSSING WITH YOU THE TERMS OF HIS ANNOUNCEMENT AND WHAT HE MAY HAVE TO SAY ABOUT HIS OWN PROPOSALS. ALTERNATIVELY HE COULD BE PUTTING THE PRESIDENT OF THE SECURITY COUNCIL IN THE PICTURE BEFORE GOING PUBLIC.
- 4. OBJECTIVE C) HAS BEEN LARGELY DEALT WITH IN THE FOREGOING.
- 5. AS REGARDS OBJECTIVE D) NEWS DEPARTMENT WILL BE TAKING THE LINE AT NOON TODAY THAT THE INDICATIONS OF THE ARGENTINE RESPONSE SO FAR LOOK UNPROMISING. I DO NOT THINK THAT WE CAN DECIDE ON SUBSEQUENT PRESS COMMENT UNTIL WE KNOW HOW THINGS HAVE GONE AT YOUR END. WE SHALL HAVE TO BE IN TOUCH ABOUT THIS.
- 6. YOU WILL RECEIVE SEPARATELY COMMENTS ON ACTION IN THE SECURITY COUNCIL FOLLOWING THE BREAKDOWN OF THE NEGOTIATIONS.

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ACTION

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SECRET

FM UKMIS NEW YORK 191632Z MAY 82

TO FLASH F C O

TELEGRAM NUMBER 784 OF 19 MAY 1982

INFO IMMEDIATE WASHINGTON.

MIPT

FOLLOWING IS TEXT OF SECRETARIAT'S UNOFFICIAL TRANSLATION OF THE ARGENTINE PAPER HANDED TO US BY DE SOTO THIS MORNING.

PREAMBLE

THE GOVERNMENT OF THE ARGENTINE REPUBLIC AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, HEREINAFTER REFERRED TO AS "THE PARTIES".

IN RESPONSE TO THE PROVISIONS OF SECURITY COUNCIL RESOLUTION 502 (1982) OF 3 APRIL 1982, AND TAKING INTO ACCOUNT THE CHARTER OF THE UNITED NATIONS, RESOLUTION 1514 (XV), 2065 (XX) AND OTHER RESOLUTIONS OF THE GENERAL ASSEMBLY ON THE QUESTION OF THE MALVINAS (FALKLAND) ISLANDS, HAVE ACCEPTED, IN ACCORDANCE WITH ARTICLE 40 OF THE CHARTER OF THE UNITED NATIONS, THE ASSISTANCE OF THE SECRETARY-GENERAL OF THE UNITED NATIONS AND HAVE ENGAGED IN NEGOTIATIONS AND ARRIVED AT THE FOLLOWING PROVISIONAL AGREEMENT RELATING TO THE MALVINAS, SOUTH GEORGIA AND SOUTH SANDWICH ISLANDS, HEREINAFTER REFERRED TO AS 'THE ISLANDS' FOR THE PURPOSES OF THIS AGREEMENT.

- I. 1. THE GEOGRAPHICAL SCOPE OF THE AREA WITHIN WHICH THE WITHDRAWAL OF TROOPS IS TO BE CARRIED OUT SHALL COMPRISE THE MALVINAS, SOUTH GEORGIA AND SOUTH SANDWICH ISLANDS.
- 2. THE WITHDRAWAL OF THE FORCES OF BOTH PARTIES SHALL BE GRADUAL AND SIMULTANEOUS. WITHIN A MAXIMUM PERIOD OF THIRTY DAYS, ALL ARMED FORCES SHALL BE IN THEIR NORMAL BASES AND AREAS OF OPERATION.

PARTY SHALL CEASE TO APPLY THE ECONOMIC MEASURES WHICH IT HAS ADOPTED AGAINST THE OTHER AND THE UNITED KINGDOM SHALL CALL FOR THE SAME ACTION BY THOSE COUNTRIES OR GROUPS OF COUNTRIES WHICH, AT ITS REQUEST, ADOPTED SIMILAR MEASURES.



- BOTH COUNTRIES SHALL BE CARRIED OUT BY SPECIALIZED PERSONNEL OF THE UNITED NATIONS, WHOSE COMPOSITION SHALL BE AGREED WITH THE PARTIES.
- THE NEGOTIATIONS FOR FINAL SETTLEMENT OF THE DISPUTE ARE IN PROGRESS SHALL CONFORM TO THE FOLLOWING PROVISIONS:

  A) THE ADMINISTRATION SHALL BE EXCLUSIVELY THE RESPONSIBILITY
- OF THE UNITED NATIONS WITH AN APPROPRIATE PRESENCE OF OBSERVERS OF THE PARTIES.
- B) THE SAID ADMINISTRATION SHALL PERFORM ALL FUNCTIONS (EXECUTIVE, LEGISLATIVE, JUDICIAL AND SECURITY) THROUGH OFFICIALS OF DIFFERENT NATIONALITY FROM THAT OF THE PARTIES.
- C) NOTWITHSTANDING THE PROVISIONS OF 2 (A) AND (B), AND IN ORDER NOT TO CAUSE UNNECESSARY CHANGES IN THE WAY OF LIFE OF THE POPULATION DURING THE PERIOD OF THE INTERIM ADMINISTRATION BY THE UNITED NATIONS, LOCAL JUDICIAL FUNCTIONS MAY BE EXERCISED IN ACCORDANCE WITH THE LEGISLATION IN FORCE ON 1 APRIL 1982 TO THE FULL EXTENT COMPATIBLE WITH THIS AGREEMENT.

SIMILARLY, THE UNITED NATIONS INTERIM ADMINISTRATION MAY APPOINT AS ADVISERS PERSONS WHO ARE MEMBERS OF THE POPULATION OF BRITISH ORIGIN AND ARGENTINES RESIDENT IN THE ISLANDS, IN EQUAL NUMBERS.

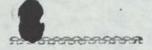
- D) THE FLAGS OF THE PARTIES SHALL FLY TOGETHER WITH THAT OF THE UNITED NATIONS.
- E) DURING THE PERIOD OF INTERIM ADMINISTRATION, COMMUNICATIONS SHALL BE KEPT OPEN, WITHOUT DISCRIMINATORY RESTRICTIONS OF ANY KIND FOR THE PARTIES, INCLUDING FREEDOM OF MOVEMENT AND EQUALITY OF ACCESS WITH RESPECT TO RESIDENCE, WORK AND PROPERTY.
- F) FREEDOM OF COMMUNICATION SHALL ALSO INCLUDE THE MAINTENANCE OF FREEDOM OF TRANSIT FOR THE STATE AIRLINE (LADE) AND FOR MERCHANT SHIPS AND SCIENTIFIC VESSELS: IN ADDITION, TELEPHONE, TELEGRAPH AND TELEX COMMUNICATIONS, ARGENTINE TELEVISION TRANSMISSIONS AND THE STATE PETROLEUM (YPF) AND GAS SERVICES SHALL CONTINUE TO OPERATE FREELY.
- IV. THE CUSTOMS, TRADITIONS AND WAY OF LIFE OF THE INHABITANTS

THE CUSTOMS, TRADITIONS AND WAY OF LIFE OF THE INHABITANTS OF THE ISLANDS, AND THEIR SOCIAL AND CULTURAL LINKS WITH THEIR COUNTRIES OF ORIGIN, SHALL BE RESPECTED AND SAFEGUARDED.

- V. 1. THE PARTIES UNDERTAKE TO ENTER IMMEDIATELY INTO NEGOTIATIONS IN GOOD FAITH UNDER THE AUSPICES OF THE SECRETARY-GENERAL OF THE UNITED NATIONS FOR THE PEACEFUL AND FINAL SETTLEMENT OF THE DISPUTE AND, WITH A SENSE OF URGENCY, TO COMPLETE THESE NEGOTIATIONS BY 31 DECEMBER 1982, WITH A SINGLE OPTION TO EXTEND UNTIL 30 JUNE 1983, IN ORDER TO COMPLY WITH THE CHARTER OF THE UNITED NATIONS, RESOLUTIONS 1514 (XY), 2065 (XX) AND OTHER RELEVANT RESOLUTIONS OF THE GENERAL ASSEMBLY ON THE QUESTION OF THE MALVINAS ISLANDS. THESE NEGOTIATIONS SHALL BE INITIATED WITHOUT PREJUDICE TO THE RIGHTS AND CLAIMS OR POSITIONS OF THE TWO PARTIES AND IN RECOGNITION OF THE FACT THAT THEY HAVE DIVERGENT POSITIONS ON THE QUESTION OF THE MALVINAS, SOUTH GEORGIA AND SOUTH SANDWICH ISLANDS.
  - 2. THE NEGOTIATIONS SHALL BE HELD IN NEW YORK.
- 3. THE SECRETARY-GENERAL OF THE UNITED NATIONS MAY BE ASSISTED IN THE NEGOTIATIONS BY A CONTACT GROUP COMPOSED OF REPRESENTATIVES OF FOUR STATES MEMBERS OF THE UNITED NATIONS.

TO THAT END. EACH PARTY SHALL NOMINATE TWO STATES AND SHALL HAVE THE RIGHT TO A SINGLE VETO OF ONE OF THE STATES NOMINATED BY THE OTHER.

- 4. THE SECRETARY-GENERAL OF THE UNITED NATIONS SHALL KEEP THE SECURITY COUNCIL ASSIDUOUSLY INFORMED OF THE PROGRESS OF THE NEGOTIATIONS.
- VI. IF THE PERIOD SPECIFIED IN POINT V (1) ABOVE EXPIRES WITHOUT THE ATTAINMENT OF A FINAL AGREEMENT, THE SECRETARY—GENERAL SHALL DRAW UP A REPORT ADDRESSED TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS, IN ORDER THAT THE LATTER MAY DETERMINE, AS APPROPRIATE AND WITH THE GREATEST URGENCY, THE LINES TO WHICH THE SAID FINAL AGREEMENT SHOULD CONFORM IN ORDER TO ACHIEVE A SPEEDY SETTLEMENT OF THE QUESTION.



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SECRET

FM UKMIS NEW YORK 191659Z MAY 82

TO FLASH F C O

TELEGRAM NUMBER 783 OF 19 MAY 1982

INFO IMMEDIATE WASHINGTON.

YOUR TELNO 431: FALKLANDS.

ER

25C

119 MAY 1982 F



BELIEVE LAST

1. AT 1530Z THE SECRETARIAT GAVE US THEIR TRANSLATION OF LAST NIGHT'S ARGENTINE PAPER (TEXT IN MY IFT). THIS IS EVEN WORSE THAN PEREZ DE C'ELLAR AND DE SOTO LED ME TO

NIGHT. IN PARTICULAR:

- (A) THE PREVIOUSLY AGREED LANGUAGE ON NON-PREJUDGEMENT HAS BEEN OMITTED:
- ''PERSONS WHO ARE MEMBERS OF THE POPULATION OF BRITISH ORGIN'',
  WHO ARE TO BE APPOINTED AS ADVISERS IN EQUAL NUMBERS WITH
  ARGENTINE RESIDENTS IN THE ISLANDS.
- . (C) THE PROVISIONS ON FREEDOM OF MOVEMENT ETC ARE MUCH WORSE THAN DE SOTO INDICATED.

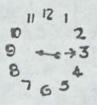
IN SHORT, THE ARGENTINES HAVE REVERTED TO THE NEGOTIATING POSITION THEY OCCUPIED AT THE VERY BEGINNING OF PEREZ DE CUELLAR'S INITIATIVE.

PARSONS

ACTION 6244 -

11 9 MAY 1982

GRS 285
CONFIDENTIAL
FM FCO 191930Z MAY 82
TO FLASH UKMIS NEW YORK
TELEGRAM NUMBER 435 OF 19 MAY
AND TO IMMEDIATE WASHINGTON





YOUR TELNOS 783 AND 784 AND TELECONS PARSONS/ACLAND: FALKLAND ISLANDS: STATEMENT

- 1. FOLLOWING IS TEXT OF STATEMENT WHICH WE ARE RECOMMENDING TO MINISTERS FOR ISSUE BY NUMBER TEN TONIGHT (PROBABLY NOT BEFORE 22.00Z). THE SINGLE NOTE FOR SUPPLEMENTARIES WOULD BE USED SIMPLY TO AVOID THE BLEAKLY NEGATIVE IMPRESSION OF THE UNADORNED STATEMENT.
- 2. BEGINS. THE ARGENTINE GOVERNMENT WERE INVITED TO SUBMIT TO THE SECRETARY-GENERAL BY TODAY THEIR DEFINITIVE RESPONSE TO THE PROPOSALS OF THE BRITISH GOVERNMENT WHICH WERE CONVEYED TO THE SECRETARY-GENERAL BY SIR ANTHONY PARSONS ON MONDAY, 17 MAY, FOLLOWING THE MEETING WITH MINISTERS AT CHEQUERS ON L6 MAY.
- 3. WE RECEIVED THIS RESPONSE THROUGH THE SECRETARY-GENERAL TONIGHT. IT AMOUNTS TO A REJECTION OF OUR PROPOSALS.
- 4. IT IS CLEAR FROM THIS DOCUMENT THAT THE ARGENTINE GOVERNMENT ARE NOT SERIOUS ABOUT CONTINUING NEGOTIATIONS. THE TEXT REPRESENTS A SUBSTANTIAL HARDENING OF THE ARGENTINE POSITION.
- 5. WE HAVE MADE OUR VIEWS CLEAR TO THE SECRETARY-GENERAL.
- 6. THE PRIME MINISTER WILL BE MAKING A FULL REPORT TO THE HOUSE OF COMMONS TOMORROW. WE HAVE NOTHING FURTHER TO SAY FOR THE MOMENT. ENDS.

NOTES FOR SUPPLEMENTARIES - STRICTLY UNATTRIBUTABLE

7. BEGINS. QUESTION: HOW HAS THE ARGENTINE POSITION HARDENED?
ANSWER: THROUGHOUT THE SUCCESSIVE ROUNDS OF NEGOTIATIONS, THE
ARGENTINES HAVE SOUGHT TO PRE DETERMINE THE FUTURE OF THE ISLANDS
AND THE ISLANDERS EITHER BY PREJUDICIAL LANGUAGE IN THE TERMS
OF REFERENCE FOR EVENTUAL NEGOTIATIONS, OR BY THE ARRANGEMENTS
TO BE MADE ON THE GROUND IN THE INTERIM PERIOD. THIS TEXT DOES
BOTH. ENDS NOTES FOR SUPPLEMENTARIES.





# Classification and Caveats CONFIDENTIAL

Precedence/Deskby

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1	1 Y	OUR TELNO 787: FALKLAND ISLANDS: STATEMENT
1	2	
1	3 1	The present intention is to issue a short statement at
1	4 1	00Z 20 May confirming rejection of the Argentine proposals
1	5 a	d our view that an end to the present round of negotiations
1	6 h	s been reached. We will telegraph text to you before issue.
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Distribution

FALKLANDS SELECTIVE

GRS 1150

SECRET
FM UKMIS NEW YORK 192004Z MAY 82
TO FLASH FCO
TELEGRAM NUMBER 786 OF 19 MAY.
INFC FLASH WASHINGTON.

MY TEL NO'S 783 AND 784: FALKLANDS.

OF THE WHOLE COUNCIL AT 2100Z.

- 1. AS WAS TO BE EXPECTED, EVENTS HERE ARE MOVING WITH BEWILDERING SPEED. I AND MY STAFF HAVE REPORTED SOME OF THEM TO THE PUS BY TELEPHONE. THIS TELEGRAM DESCRIBES THE POSITION UP TO 19882 ON 19 MAY.
- 2. PEREZ DE CUELLAR IS EXTREMELY RELUCTANT TO ADMIT DEFEAT, BOTH BECAUSE HE DREADS FURTHER CASUALTIES AND BECAUSE HE DOES NOT WANT TO CHALK UP A FAILURE FOR THE UN IN HIS FIRST MAJOR CRISIS. HE IS SUPPORTED IN THIS BY ALL HIS STAFF, INCLUDING URQUHART, THOUGH THE LATTER FULLY UNDERSTANDS OUR POSITION TOO.
- 3. EARLY THIS MORNING I LEARNED THAT PEREZ DE CUELLAR WAS PROPOSING TO PRODUCE A PAPER CONTAINING 'MEDIAN' LANGUAGE COVERING TWO OF THE OUTSTANDING ISSUES THE NATURE OF THE INTERIM ADMINISTRATION AND THE TERMS OF REFERENCE FOR DIPLOMATIC NEGOTIATIONS. HIS LANGUAGE WAS NOT AT ALL BAD FROM OUR POINT OF VIEW. BUT II IMMEDIATELY INTERVENED TO SQUASH THIS IDEA, POINTING OUT THAT LIMITED PROPOSALS COVERING ONLY PART OF THE PROBLEM WOULD SIMPLY REOPEN AN ENDLESS PROCESS OF NEGOTIATION AND WOULD THEREFORE BE UNACCEPTABLE TO YOU.
- 4. I NEXT LEARNED THAT PEREZ DE CUELLAR HAD TELEPHONED ROS AND THEN COSTA MENDEZ IN BUENOS AIRES. BOTH HAD INSISTED THAT THERE WA CONSIDERABLE FLEXIBILITY ON THE ARGENTINE SHIDE AND THAT THEIR PAPER OF LAST NIGHT WAS NOT THEIR LAST WORD. AS A RESULT, HE WAS THINKING OF SENDING ENVOYS TO LONDON (URQUHARRY, SUTTERLIN) AND BUENOS AIRES (CORDOVEZ, DE SOTO). THEIR TICKETS HAD ALREADY BEEN BOOKED. AT A PRIVATE MEETING BEFORE THE WORKENG LUNCH DESCRIBED BELCW, I PERSUADED PEREZ DE CUELLAR TO ABANDON THIS IDEA TOO.

  5. AT THE END OF THE MORNING PEREZ DE CUELLAR BRIEFED THE PRESIDENT OF THE SECURITY COUNCIL. THIS LED LING QING, POSSIBLY AT PEREZ DE CUELLAR'S PROMPTING, TO DECIDE TO RTEVWUYPFOCCUEVENE INFORMAL CONSULT

- 5. AT THE END OF THE MORNING PEREZ DE CUELLAR BRIEFED THE PRESIDENT OF THE SECURITY COUNCIL. THIS LED LING QING, POSSIBLY AT PEREZ CUELLAR'S PROMPTING, TO DECIDE TO RTEVWUYPFQCCUEVENE INFORMAL CONSULT OF THE WHOLE COUNCIL AT 2100Z.
- 6. ALL THIS ACTIVITY PROMPTED ME TO ACCELERATE MY PROGRAMME FOR GIVING PEREZ DE CUELLAR OUR FORMAL RESPONSE TO LAST NIGHT'S ARGENTINE PAPER (I HAD SPOKEN TO HIM EARLIER IN THE MORNING IN A PRELIMINARY WAY AS INSTRUCTED IN YOUR TEL NO 431). PEREZ DE CUELLAR PROPOSED A WORKING LUNCH, AT WHICH HE WAS ACCOMPANIED BY AN EXPANDED GROUP OF ADVISERS, INCLUDING URQUHART, CORDOVEZ AND SUTTERLIN.
- 7. AT MY PRIVATE MEETING WITH PEREZ DE CUELLAR BEFORE THE LUNCH I ASKED HIM FORMALLY TO CONVEY TO ROS THAT H.M. GOVERNMENT FOUND THE ARGENTINE RESPONSE TOTALLY UNACCEPTABLE. THE ARGENTINE POSITION HAD NOT CHANGED IN SUBSTANCE SINCE THE BEGINNING OF NEGOTIATIONS. IT WAS CLEAR THAT THERE WAS NO HOPE OF REACHING AGREEMENT, ESPECIALLY IN A SINGLE DAY. WE HAD THEREFORE DRAWN A LINE, FOLLOWING THE FAILURE OF THE ARGENTINES TO ACCEPT OUR DRAFT INTERIM AGREEMENT BY THE DEADLINE OF 12 NOON TODAY. I TOLD PEREZ DE CUELLAR THAT WE RECOGNISED THAT THIS WOULD ENABLE ROS TO WRONG-FOOT US BY BLAMING US FOR THE BREAKDOWN OF NEGOTIATIONS BUT THIS WAS SOMETHING THAT WE WOULD HAVE TO ACCEPT. AT THE END OF THE PLENARY MEETING DESCRIBED BELOW, PEREZ DE CUELLAR TOLD ME THAT HE HAD SPOKEN ACCORDINGLY TO ROS WHO HAD PASSED BACK A MESSAGE THAT HE FULLY UNDERSTOOD OUR POSITION AND WOULD CONVEY IT TO HIS GOVERNMENT. B. AFTER LUNCH, WE SAT DOWN TO A PLENARY MEETING. I SPOKE FIRST. I SAID THAT LAST HIGHT'S PAPER FROM BUENOS AIRES WAS TOTALLY UNACCEPTABLE TO YOU. IT CONFIRMED THAT THE ARGENTINE POSITION HAD NOT CHANGED IN ANY IMPORTANT REGARD. I LISTED THE UNACCEPTABLE ELEMENTS IN THE PAPER: THE REFERENCE TO GENERAL ASSEMBLY RESOLUTIONS, THE INCLUSION OF THE DEPENDENCIES, THE PROVISION FOR WITHDRAWAL TO NORMAL AREAS OF OPERATION, THE EXCLUSION OF THE COUNCILS FROM THE INTER IM ADMINISTRATION (THIS WAS A CENTRAL ISSUE WHERE THE GAP WAS TOTALLY UNBRIDGEABLE), THE PROVISION FOR EQUALITY OF ACCESS ETC. THE FORMULATION ON THE TARGET DATE, THE INVOLVEMENT OF THE GENERAL ASSEMBLY IF AGREEMENT WAS NOT REACHED BY 38 JUNE 1983 (ANOTHER KEY ISSUE), AND THE ABSENCE OF THE AGREED LANGUAGE ON NON-PREJUDGE-MENT (DITTO). H.M. GOVERNMENT HAD COME TO THE CONCLUSION THAT WHEREAS WE HAD BEEN EXTREMELY FLEXIBLE IN THE WAY I HAD OUTLINED ON 17 MAY (MY TEL NO 765) ARGENTINA HAD MADE NO CONCESSIONS AT ALL. THE ARGENTINE PAPER WAS NOT A SERIOUS RESPONSE TO OUR PROPOSALS. I HAD MADE CLEAR THAT MAJOR AMENDMENTS TO CUR PROPOSALS OR PROCRASTIN-ATION WOULD IN YOUR VIEW BE TANTAMOUNT TO REJECTION. H.M. GOVERN-MENT'S CONSIDERED VIEW WAS THAT AS FROM 1200 NEW YORK TIME TODAY A

11 FAY (MY TEL NO 765) ARGENTINA HAD MADE NO CONCESSIONS AT ALL. THE ARGENTINE PAPER WAS NOT A SERICUS RESPONSE TO OUR PROPOSALS. I HAD MADE CLEAR THAT MAJOR AMENDMENTS TO CUR PROPOSALS OR PROGRASTIN-A WOULD IN YOUR VIEW BE TANTAMOUNT TO REJECTION. H.M. GOVERN-MENT'S CONSIDERED VIEW WAS THAT AS FROM 1200 NEW YORK TIME TODAY A LINE HAD BEEN DRAWN UNDER THE PRESENT ROUND OF NEGOTIATIONS. I CONCLUDED WITH A PERSONAL TRIBUTE TO PEREZ DE CUELLAR'S EFFORTS. 9. PEREZ DE CUELLAR SAID THAT HE WOULD CONVEY ALL THIS TO ROS, TO WHOM HE HAD ALREADY GIVEN ADVANCE NOTICE BY TELEPHONE (PARA 7 ABOVE). HE WOULD BE SEEING HIM AT 2000Z. HE NOTED WHAT I HAD SAID ABOUT DRAWING A LINE BUT HE HAD TO TELL ME THAT HE INTENDED TO KEEP HIS OPTIONS OPEN. COSTA MENDEZ HAD ASKED HIM TO TELEPHONE GALTIER! AND HE WOULD PROBABLY DO THIS. HE WOULD EXPRESS HIS VIEWS FRANKLY. HE COULD NOT REFUSE TO CONSIDER ANY FORTHCOMING RESPONSE FROM GALTIERI. IT WOULD BE HIS PERSONAL DUTY TO CONVEY SUCH A RESPONSE TO ME, EVEN THOUGH I HAD "DRAWN A LINE". AT THIS AFTER-NCON'S INFORMAL CONSULTATIONS HE WOULD GIVE THE MEMBERS OF THE COUNCIL AN ACCOUNT OF HIS DOINGS, AS A PRELUDE TO AN EXHAUSTIVE REPORT WHEN THE COUNCIL MET FORMALLY, EITHER LATER TONIGHT OR TOMORROW. HE COULD NOT ACCEPT THAT WE HAD MISSED THE LAST OPPORT-UNITY OF SOLVING A DIFFECULT INTERNATIONAL PROBLEM: HE BELIEVED THAT THERE WERE STILL SOME AVENUES OPEN. HE WOULD PASS TO ME ANY IDEAS WHICH GALTIERI, WHO WOULD BE ACCOMPANIED BY COSTA MENDEZ, MIGHT HAVE. HE WOULD TRY TO SELL TO GALTIER! THE IDEAS WHICH THE SECRETARIAT HAD PRODUCED. THEY WERE REASONABLE AND HE FELT THAT THEY MIGHT STILL PROVIDE A CHANCE OF MAKING PROGRESS, IN ORDER TO SAVE YOUNG LIVES.

10. I SAID THAT NO-ONE WAS MORE CONSCIOUS THAN I OF THE DANGER OF HORE LOSS OF LIFE. BUT EVERY ROUND OF NEGOTIATION WE HAD CONDUCTED WITH THE ARGENTINES HAD ENDED UP WITH A LAST MINUTE INTERVENTION BY GALTIER! CLAIMING TO BE REASONABLE. ON EVERY OCCASION THAT HAD LED NOWHERE. H.M. GOVERNMENT WERE INEVITABLY DOUBTFUL AND SUSPICIOUS OF ARGENTINE INTENTIONS. YOU WOULD BE BOUND TO INTERPRET WHAT GALTIER! SAID AS NOTHING BUT A MEANS OF BUYING MORE TIME.

PARSONS

NNNN

KY FO 294/28

ZZ FCO

GR 460.

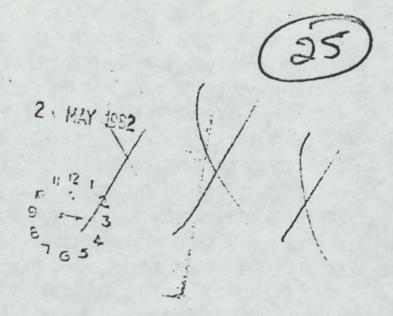
CONFIDENTIAL

FM UKMIS NEW YORK 200110Z MAY 82

TO FLASH FCO

TELEGRAM NUMBER 789 OF 19 MAY

INFO IMMEDIATE WASHINGTON



MY TELNO 786: FALKLANDS

1. THE FOLLOWING IS AN ACCOUNT OF WHAT HAPPENED BETWEEN THE DESEATOR OF MY TELEGRAM UNDER REFERENCE AND THE CHENING OF THE INFORMAL CONSULTATIONS OF THE SECURITY COUNCIL (SEE MY IFT). 2. I TOLD COLES (NO. 10) THAT UPQUEART HAD RECCHMENDED TO PEREZ DE CUELLAR THAT HE SPEAK TO THE PRIME MINISTER AFTER HIS TELEPHONE CONVERSATION WITH GALTIERI. I PERSUADED UPOUPART THAT THE INITIATIVE IN MAKING THE CALL SHOULD BE LEFT TO THE PRIME MINISTER. HE AGREED. 3. FEREZ DE CUELLAR SUBSEQUENTLY GAVE ME HIS ACCOUNT OF TOTH CONVERSATIONS. HE SAID THAT HIS CONVERSATION WITH GALTIER! HAD BEEN SECTESONE, THE LATTER'S ARGENTINE ACCENT BEING SCARCELY COMPREHENSIBLE. GALTIER! SEEMED TO BE RELDING FROM A PREPARED TEXT. FIS MAIN ARGUMENT HAD BEEN (HE HAD CEVIOUSLY RECEIVED A REPORT FROM FOR IN THE MEANTIME) THAT THE BRITISH WERE BEING INFLEXIBLE AND THAT THE ARGENTINES WERE PREPARED TO CONTINUE NEGOTIATING UNDER THE SECRETARY-GENERAL'S AUSPICES. THE QUESTION OF ENVOYS MAD COME UP. GALTIER! HAD INSISTED THAT IF ANYONE WENT TO BUENOS LIRES, SOMEONE MUST ALSO GO TO LONDON. PEREZ DE CUELLAR SAID THAT THIS WOULD NOT BE ACCEPTABLE. GALTIER! HAD SUGGESTED A MEETING IN NEW YORK PETWEEN YOU AND COSTA MENDEZ. PEREZ DE CUELLAR FOLBED THIS OFF. THERE WAS A BIT MORE IN THE SAME VEIN BUT NOTHING OF LNY CONSEQUENCE - IT WAS A VERY SHORT CONVERSATION .. > 4. PEREZ DE CUELLAR WAS DELIGHTED WITH HIS CONVERSATION WITH THE FRIME MINISTER. HE SAID THAT SHE HAD BEEN VERY FRIENDLY. SHE HAD

VEHT HIM IN NO DOUBT AS TO OUR ATTITUDE TOWARDS THE ARGENTINE PROPOSALS AND THAT THIS WOULD BE MADE CLEAR IN THE HOUSE OF COMMONS TOMORPOW (28 MAY). HE HAD GRASPED THE WRONG END OF THE STICK WHEN THE PRIME MINISTER HAD SAID THAT SHE WAS PREPARED TO LOOK AT FRESH PROPOSALS. I EXPLAINED TO HIM THAT THE PRIME MINISTER MEANT THAT SHE WOULD BE PREPARED TO LOOK AT ANY TOTALLY FRESH PROPOSALS, I.E. SHE BELIEVED THAT THE PRESENT ROUND OF NEGOTIATIONS WAS OVER. 5. I THEN EXPLAINED OUR POSITION TO THE PRESIDENT OF THE SECURITY COUNCIL BEFORE THE CONSULTATIONS STARTED. I TOLD HIM WHAT I PROPOSED TO SAY IN THE COUNCIL. I SAID THAT. IF THERE WAS A GENERAL INCLINATION TO GO INTO FORMAL SESSION THIS EVENING, I WAS READY. BUT I THOUGHT THAT COUNCIL SHOULD THINK CAREFULLY BEFORE EMBARKING ON SUCH A COURSE. I HAD ALREADY SPOKEN FAIRLY STERNLY TO DORR (IRELAND), OTUNNU (UGANDA) AND KARRAN (GUYANA). ONLY THE FIRST NAMED SEEMED TO BE HANKERING AFTER SOME KIND OF FORMAL MEETING TONIGHT. I TOLD HIM THAT, ONCE WE GOT INTO THE CHAMBER THE BALLOON WOULD GO UP AND NEITHER HE NOR ANYONE ELSE WOULD BE ABLE TO BRING IT DOWN AGAIN.

PARSONS

RNNN



NYFO 003/120

ZZ FCO

OO PARIS

OO MADRID

OO DUBLIN

CO PEKING

OO MOSCOW

OO WARSAW

OO TOKYO

OO AMMAN

GO ACCRA

OO KINSHASA

OO KAMPALA

OO GEORGETOWN

OO PANAMA CITY

GRS 730

CONFIDENTIAL

FM UKM IS NEW YORK 2001117 MAY 82

TO FLASH FCO

TELEGRAM NUMBER 790 OF 19 MAY

INFO IMMEDIATE WASHINGTON PARIS MADRID DUBLIN PEKING MOSCOW WARSAW TOKYO AMMAN ACCRA KINSHASA KAMPALA GEORGETOWN PANAMA CITY.

MIPT: (NOT TO ALL): FALKLANDS.

### SUMMARY

1. THIS EVENING'S INFORMAL CONSULTATIONS OF THE SECURITY COUNCIL WENT WELL. THERE WAS NO DISPOSITION TO MOVE INTO A FORMAL MEETING NOR ANY PROPOSALS FOR PRESIDENTIAL STATEMENTS WHICH WOULD HAVE CAUSED US DIFFICULTY. THE SECRETARY—GENERAL AND I REPORTED BRIEFLY ON THE STAGE REACHED. ALL MEMBERS WHO SPOKE SUPPORTED THE SECRETARY—GENERAL'S EFFORTS, ENCOURAGED HIM TO CONTINUE AND CALLED FOR THE PARTIES TO EXERCISE RESTRAINT MEANWHILE. AT THE END I SAID THAT I



2 C MAY 1982



TOMORROW'S DEBATE.

DETAIL.

- HE SECRETARY-GENERAL SPOKE FIRST. HE SAID THAT ON 17 MAY HE HAD RECEIVED FROM ME A COMPREHENSIVE SET OF WRITTEN PROPOSALS WHICH HE HAD TRANSMITTED TO THE ARGENTINE GOVERNMENT. LATE ON 18 MAY HE HAD RECEIVED THE ARGENTINE RESPONSE. THIS AFTERNOON (19 MAY) I HAD GIVEN HIM HM GOVERNMENT'S CONSIDERED REACTION TO THE ARGENTINE RESPONSE. SUBSTANTIAL PROGRESS HAD BEEN ACHIEVED. BUT THERE REMAINED MAJOR UNRESOLVED DIFFERENCES. HE HAD TODAY SPOKEN BY TELEPHONE TO PRESIDENT GALTIERI AND TO THE PRIME MINISTER. THE TIME LEFT WAS VERY SHORT. THE PRICE OF FAILING TO REACH AGREEMENT WOULD BE HIGH IN HUMAN LIFE AND SUFFERING. URGENT EFFORTS MUST CONTINUE TO FIND PEACE. WITH THE COUNCIL'S SUPPORT HE WOULD CONTINUE TO ASSIST IN EVERY WAY.
- 3. I EXPRESSED APPRECIATION FOR PEREZ DE CUELLAR'S EFFORTS. I
  CONFIRMED THAT ON 17 MAY I HAD GIVEN HIM YOUR FINAL POSITION. IT
  WAS GENERALLY AGREED THAT TODAY WAS A CRUCIAL DAY IN THE EVOLUTION
  OF THE NEGOTIATIONS. I REGRETTED THAT THE ARGENTINE RESPONSE LEFT
  VERY WIDE GAPS BETWEEN OUR TWO POSITIONS: IT COULD NOT BE ACCEPTED
  BY HM GOVERNMENT. I WOULD NOT GO INTO DETAIL NOR DELIVER A
  CATALOGUE OF BRITISH FLEXIBILITY: IT WOULD BE DISHONOURABLE TO DO
  SO WHEN ARGENTINA WAS NOT PRESENT. I WAS VERY PESSIMISTIC ABOUT THE
  CHANCES OF AGREEMENT BEING REACHED IN THE CONTEXT OF THE SECRETARY—
  SENERAL'S PRESENT ROUND OF NEGOTIATIONS.
- .. STATEMENTS WERE THEN MADE BY IRELAND (TWICE AND AT LENGTH), ORDAN (ALSO AT LENGTH), UGANDA, PANAMA (TWICE), ZAIRE AND THE OVIET UNION. ALL EXPRESSED SUPPORT AND PRAISE FOR PEREZ DE WELLAR'S EFFORTS AND ALL EXPRESSED THE HOPE, WITH VARYING EGREES OF EMPHASIS, THAT THE PARTIES WOULD MEANWHILE EXERCISE ESTRAINT. IRELAND SAID THAT ITS REQUEST FOR A FORMAL MEETING EMAINED ON THE TABLE BUT AGREED THAT THERE WAS NO CASE FOR SUCH A EETING AT PRESENT. THE ONLY SPEAKER TO COME ANYWHERE NEAR ASKING OR A FORMAL MEETING WAS TROYANOVSKY (USSR) WHO SAID THAT IF NO ROGRESS WAS REPORTED AT THE NEXT INFORMAL MEETING, THE COUNCIL DULD HAVE TO CONSIER A FORMAL MEETING. THE PANAMANIAN'S NTERVENTIONS WERE SNIDE, THE SECOND OF THEM ATTEMPTING TO CAST OUBT ON OUR SUPPORT FOR THE SECRETARY-GENERAL'S CONTINUING EFFORTS. . IN ORDER TO AVOID PROVOKING A WIDER DEBATE, WITH THE POSSIBLE ISK OF A FORMAL SESSION TONIGHT, I THOUGHT IT BETTER NOT TO SAY XPLICITY THAT AS FAR AS WE WERE CONCERNED THE PRESENT ROUND OF FECTIATIONS HAD ENDED. AT THE SAME TIME, I DID NOT WISH TO LAY US PEN TO CHARGES OF BAD FAITH AFTER TOMORROW'S DEBATE IN THE HOUSE. THEREFORE INTERVENED A SECOND TIME TOWARDS THE END OF THE ISCUSSION TO SAY FIRST, IN RESPONSE TO VARIOUS REMARKS ABOUT MY

MCRKED OUT WITH GREAT CARE OUR FINAL POSITION BUT THAT WE HAD NOW ELVED UNACCEPTABLE ARGENTINE COMMENTS ON IT: AND SECONDLY THAT I HAD TAKEN CAREFUL NOTE OF THE SENTIMENTS EXPRESSED BY THE MEMBERS OF THE COUNCIL AND WOULD FAITHFULLY REPORT THEM TO YOU BEFORE TOMORROW'S DEBATE. I THUS GAVE NO-ONE ANY GROUNDS TO CLAIM THAT WE HAD ACCEPTED THE VARIOUS CALLS FOR RESTRAINT AND MCDERATION.

6. SUMMING UP, THE PRESIDENT SAID THAT ALL WERE GRATEFUL TO THE SECRETARY-GENERAL FOR HIS EFFORT: THAT HE HAD ASKED TO BE GIVEN A LITTLE MORE TIME, THOUGH HE HAD MADE CLEAR THAT HE WAS NOT EMBARKED ON AN ENDLESS PROCESS OF NEGOTIATIONS: THAT MEMBERS HAD EXPRESSED SUPPORT FOR THIS AND HAD APPEALED TO BOTH PARTIES TO EXERCISE RESTRAINT: AND THAT THE COUNCIL WOULD CONTINUE TO FOLLOW THE MATTER CLOSELY.

7. SEE MIFT (NOT TO ALL).

PARSONS

NNNN

20/0145

WONFO 010/20 WONYK 010/20 OO F C O DESKBY 200200Z OO UKMIS NEW YORK DESKBY 200200Z 21 447 182 GPS 220 CONFIDENTIAL DESKBY 200200Z (FCO, UKMIS NEW YORK) FM WASHINGTON 200020Z TO IMMEDIATE F C O TELNO 1823 OF 19 MAY 1982, INFO IMMEDIATE UKMIS NEW YORK MY TELNO 1822: FALKLANDS HAIG HAS TELEPHONED AGAIN, HAVING HEARD OF PEREZ DE CUELLAR'S TELEPHONE CALLS TO LONDON AND BUENOS AIRES. HAIG UNDERSTANDS FROM JEANE KIRKPATRICK THAT PEREZ DE CUELLAR HAS ASKED FOR A FEW MORE DAYS IN WHICH HIS OWN PLAN CAN BE CONSIDERED. ACCORDING TO JEANE KIRKPATRICK, THIS WILL BE MUCH NEARER TO OUR PROPOSAL THAN TO ARGENTINA'S. HAIG REPEATED THAT JEANE KIRKPATRICK HAD URGED THE ARGENTINIANS TO ACCEPT THE BRITISH PLAN. 2. I ASKED HAIG WHETHER HE THOUGHT PEREZ DE CUELLAR'S PLAN WAS SOMETHING WE COULD LIVE WITH. HE SAID HE THOUGHT IT PROBABLY WOULD BE, THOUGH HE REALISED OUR TIME DIFFICULTY, HAIG ALSO SAID HE BELIEVED THE ARGENTINIANS WOULD ACCEPT PEREZ DE CUELLAR'S PLAN. HENDERSON NNNN

ZZ FCO GRS 38Ø

SECRET

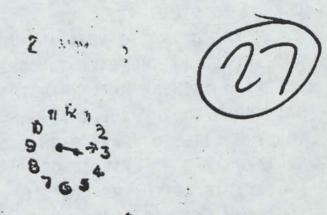
FM UKMIS NEW YORK 200112Z MAY 82

TO FLASH FCO

TELEGRAM NUMBER 791 OF 19 MAY

INFO FLASH WASHINGTON.

MIPT: FALKLANDS.



- 1. ALTHOUGH PEREZ DE CUELLAR REFÚSES TO ADMIT DEFEAT AND THE COUNCIL IS SUPPORTING HIM IN THIS, I DO NOT FEEL UNCOMFORTABLE ABOUT OUR OWN POSITION.
- 2. FIRST, FOLLOWING HIS CONVERSATION WITH THE PRIME MINISTER, PEREZ DE CUELLAR WILL NOT CONSIDER THAT WE HAVE ACTED IN BAD FAITH IN ANNOUNCING TO THE HOUSE OF COMMONS TOMORROW (20 MAY) THAT WE REGARD THE PRESENT ROUND AS HAVING ENDED WITH THE ARGENTINE REJECTION OF OUR PROPOSALS. SECONDLY (THE POINT I MADE SO MUCH OF AT CHEQUERS LAST SUNDAY) HE WILL NOT ACCUSE ME OF BAD FAITH IF HM FORCES LAND ON THE FALKLANDS IN THE NEXT FEW DAYS. I MADE THE DEADLINE CLEAR TO HIM AND LEFT HIM IN NO DOUBT THAT IT WAS SERIOUSLY INTENDED: AND THAT THE ARGENTINE RESPONSE AMOUNTED TO A CLEAR REJECTION OF OUR PROPOSALS. IT WAS THEREFORE HIS CHOICE, NOT OUR JOINT AGREEMENT, THAT HE SHOULD GIVE HIS NEGOTIATING EFFORT ONE LAST CHANCE.
- 3. FURTHERMORE, I STRESSED TWICE AT THE INFORMAL CONSULTATIONS THAT MY EXTREME PESSIMISM RESULTED FROM THE FACT THAT OUR PROPOSALS WERE FINAL AND THAT THE ARGENTINE RESPONSES REVEALED WIDE GAPS AND WERE THEREFORE UNACCEPTABLE TO US. MY ONLY REACTION TO VARIOUS INDIVIDUAL APPEALS FOR MODERATION AND RESTRAINT WHILE THE SECRETARY GENERAL WAS PURSUING HIS NEGOTIATIONS WAS TO TAKE NOTE AND STATE THAT I WOULD TRANSMIT THESE SENTIMENTS TO MY GOVERNMENT. I GAVE THE COUNCIL NO GROUNDS TO BELIEVE THAT WE MIGHT BE DISPOSED TO ACQUIESCE IN SUCH CALLS. FROM THEIR PREVIOUS EXPERIENCES ON THIS SUBJECT AT MY HANDS, I DO NOT THINK THAT ANYONE WAS IN DOUBT AS TO THE REAL FACTS OF THE SITUATION. THIS WILL NOT PREVENT THEM FROM ACCUSING US OF BAD FAITH, BUT THIS WILL BE A FAIRLY MINOR ELEMENT IN THE STORM WHICH IS BOUND TO BREAK HERE SOONER OR LATER.

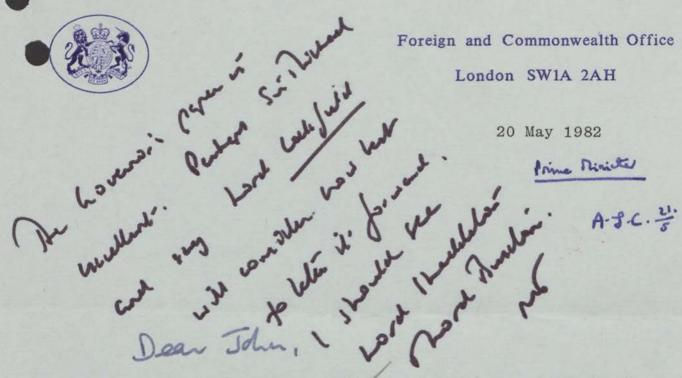
4. TOMORROW (20 MAY) I INTEND TO SIT TIGHT AND REFUSE CONTACT WITH THE MEDIA UNTIL AFTER THE COMMONS DEBATE IS OVER AND I HAVE HAD A CHANCE TO STUDY IT.

5. WE ARE GOING TO NEED ALL THE SUPPORT WE CAN GET FROM OUR FRIENDS AND ALLIES IN THE DAYS TO COME - I EVEN TOOK THE EXCEPTIONAL STEP OF BRAIN-WASHING MRS KIRKPATRICK THIS EVENING ON THE FLEXIBILITY WE HAD SHOWN IN THE NEGOTIATIONS, AS OPPOSED TO ARGENTINE GBDURACY (ON THE LINES OF PARAGRAPH 2 OF MY TEL NO 765). SOME OF MY COMMUNITY PARTNERS ARE SO UNTRUSTWORTHY THAT I WILL NOT BRIEF THEM UNTIL FRIDAY, IE AFTER THE HOUSE OF COMMONS DEBATE. BUT I AM LUNCHING TOMORROW (20 MAY) WITH THE AUSTRALIAN FOREIGN MINISTERS, AND INTEND TO GIVE A FULL BRIEFING TO THE OLD COMMONWEALTH, WHOM I CAN TRUST.

PARSONS

NNNN

SECRET FALKLAND ISLANDS: FCO SITREP 0730 HRS, 20 MAY 1982 UN Developments The Secretary-General has handed an aide mémoire to the UK and Argentine Governments setting out his proposals for resolving the outstanding questions in the negotiations. The following events took place before the delivery of the Secretary-General's aide mémoire: (a) The text of the Argentinian reply to our proposals was handed over by the UN Secretariat during the morning of 19 May. This was a great deal worse than expected and the Argentinians appeared to have reverted to the negotiating position they occupied at the beginning of the Secretary-General's initiative. (b) The Secretary-General telephoned the Argentine Foreign Minister during the morning and was contemplating despatching envoys to London and Buenos Aires. At a working lunch with the Secretary-General, Sir A Parsons asked him to tell the Argentines that HMG had found their response totally unacceptable. Although the Secretary-General undertook to pass this information he indicated that he still intended to keep his options open. The Secretary-General subsequently telephoned President (c) Galtieri and the Prime Minister. Reportedly, his conversation with Galtieri had been 'grotesque'. latter argued that the British were inflexible and suggested a meeting of Foreign Secretaries in New York. Conversely, the Secretary-General was 'delighted' with his conversation with the Prime Minister. (d) There was an informal meeting of the Security Council to hear a report by the Secretary-General on the progress of his initiative. The meeting went well and there was no call for a formal meeting of the Security Council. EMERGENCY UNIT 20 MAY 1982 SECRET



In my letter of 13 May, I said that I would be forwarding a copy of the Governor's paper on the future of the Falkland Islands. I now enclose a copy. Our own general comments are as follows:

After an end to the Argentine occupation, two areas will require early consideration:

- the rehabilitation of the damage done to the infrastructure by the occupation. This will be the most urgent priority. ODA are already beginning contingency planning, though the scale of work needed and the cost can only be properly assessed after the departure of Argentine forces;
- the broader development of the Islands' economy. This is the main subject of Mr Hunt's paper. While decisions on how to stimulate the economic life of the Islands will require careful and detailed study, it will be important for Islanders' morale and to public and parliamentary opinion in the UK that a clear statement of the Government's intent is made at an early stage. Depending on the circumstances, one way to demonstrate this might be through the despatch of a fact-finding mission to the Islands. (Lord Shackleton has already expressed his willingness to be involved in such work and there could be both political and practical advantage in using his experience of the area.)

Mr Hunt takes an optimistic view of the potential for economic development; and it is, in our view, right that, given security and provided that investment and technical assistance on the necessary scale were forthcoming, the Islands' economy could be expanded and the present population drift reversed.

/The key issue



The key issue will be (as it has always been, though now in much sharper focus) the degree of assurance that can be given to both Islanders, immigrants and investors that the Islands can be guaranteed a stable and peaceful political future. Whatever our own continuing defence commitment, conditions of confidence will depend crucially on our ability to reach an arrangement for the Falkland Islands which at least has Argentine acquiescence. It is of course very unlikely that Argentina will simply give up its claim to the Falklands and cease to pose a threat without such an eventual arrangement. Without such a political background it would be difficult to develop the Islands' maritime resources (oil and fish), on which a measure of Argentine cooperation will almost certainly be required. While the Islanders might survive in a Fortress Falklands situation, some or many would be likely to leave, outside investors would understandably fight shy, and the cost to HMG of maintaining the Islands would be substantial and continuing.

Against this background, the following three aspects will be important:

Communications The maintenance, and even more the expansion, of the Islands' economy will be vitally affected by the nature of access to the Islands. Without a political settlement, access through Argentina will remain blocked; and in the short, and probably also the longer term, we cannot safely rely on obtaining alternative communications to other points on the South American mainland, since Argentina's neighbours will need to take account of their own relations with Argentina. As set out in the contingency study annexed to Lord Carrington's OD minute of 25 March, communications would need to be by sea from the UK, on the basis of about 4 round trips a year. The alternative would be to extend the Port Stanley airport runway to take long-haul aircraft (the estimated cost for construction has been about £16 million and such an air service would require a huge Government subsidy). While limitation to a sea service need not affect the Islands' wool economy - hitherto all wool has been collected by the charter vessel of the Falkland Islands Company and shipped directly to the UK - it could be a disincentive to investment in some of the additional activies (surplus mutton, kelp harvesting, salmon farming, inshore fishing), which Mr Hunt in his paper identifies as having a potential for development. It would also necessarily affect the scope for specialist tourism.

/ii) Falkland



ii) Falkland Islands Company The Governor rightly points to the need for more Islanders to be given a direct stake in the Islands' economy, in particular through the ownership of the farmland. A start has already been made to the subdivision of large farms; but if it is to be carried through consistently, it will require not only the availability of considerable loan finance to enable Islanders to take out mortages on property, but also a change in attitude by the present owners of the large farms, in particular the Falkland Islands Company. It is to be hoped that the Company and the Falkland Islands Government would work together to achieve a common aim of greater prosperity for the Islands. But hitherto, except for the sale and sub-division of one farm, the Company has been reluctant to dispose of its assets in the Islands.

iii) Government-led investment Prior to the Argentine invasion, our aid programme to the Falklands had been running at about £1 million per annum. While high in per capita terms and broadly spread between infrastructure and development projects, it has not been at a level to provide any strong stimulus to the expansion of the economy. On this our policy has been to encourage the Falkland Islands Government to obtain private investment funds - and more recently to seek access to commercial credit through a better mobilisation of its reserves. As Mr Hunt's paper indicates, some headway was being made, although all too often in the past the initial enthusiasm of potential investors has faded because of the political uncertainties. In the new circumstances following the Argentine invasion, it will be for HMG to provide the funds, not only for reconstruction but also for further development. Private investment is only likely to follow a clear demonstration of the Government's determination to sustain the Islands and of its faith in the Islands' future. For both reconstruction and development new money will be needed and on a substantial scale.

Many of the considerations in this letter will also of course be relevant to the possibility of independence for the Falkland Islands, on which we are preparing urgently a paper for OD(SA).

Yours eve JE Holmes) Holley

Privat Secretary

#### THE FUTURE OF THE FALKLAND ISLANDS

- 1. I am optimistic about the future of the Falkland Islands, provided that we first achieve the withdrawal of Argentine troops and uphold the principle of self-determination for the Islanders. I realize that we cannot ascertain their views at present and probably we shall have to allow some time after the withdrawal of Argentine troops for them to recover from the shock of military occupation. But my guess is that any referendum of plebiscite held after such a period, under UN auspices or in any other fair and impartial way, would result in an overwhelming vote to remain British and to reject any solution, leaseback or otherwise, that would involve a transfer of sovereignty to Argentina, no matter how titular or how generous the terms we were able to negotiate. The following is based on this assumption and on the belief that the British Government will not impose a settlement upon the Islanders.
- 2. The Falkland Islands can survive and indeed prosper without Argentina; but they will need more help from Britain than they have received in the past. If after the cessation of hostilities Britain makes clear to the world that she is prepared to continue to defend the Islanders' right to stay British, I believe that we can reverse the population drift and attract private investment for development. Overseas Development Administration could help with an imaginative housing development scheme, I am sure that we would get the right sort of settler from Britain, with or without an assisted passage scheme. Even before people realized that Britain would honour her commitment to defend the Falkland Islands, we had received more than five hundred letters expressing interest in emigrating there from Britain. For the first time for many years, we saw earlier this year the arrival of overseas farmers wanting to buy and work farms in

/the

the Islands. Economic pressures were already forcing a fundamental change in farming methods, from vast ranches owned by companies employing managers and large gangs of permanent employees to smaller farms worked by owner/occupiers hiring part-time itinerant shearing gangs. After only two seasons, the smaller farms were already carrying more sheep than they had before as part of larger ranches. This process will lead to increased productivity, more Islanders acquiring a permanent stake in the land and more farmers coming in from Britain, New Zealand and Australia. It could be accelerated by the establishment of an Agricultural Development Bank to make finance available to local farmers and by a greater input to the Grasslands Trials Unit by an increase in staff and supply of more fértilizer and seed.

- 3. Shortly before the invasion, I was visited by two senior executives of Birds Eye Walls who were interested in buying our surplus mutton (every year about 23000 sheep are slaughtered and hurled over cliffs or left to rot on the land). They were prepared to guarantee the market if we built an abattoir and freezer plant up to EC standards, at an estimated cost of £250,000. I was searching for a source of funds at the time of the invasion.
- 4. When the South Georgia crisis broke, I was negotiating an agreement with an American firm under which they would have been granted an exclusive licence to harvest the kelp (seaweed) in Falkland Islands' waters, which experts say are the largest known beds in the world. The project would have represented an initial investment of US \$25 million and brought increasing revenue to the Falkland Islands Government. I quote from a recent letter from the Managing Director:

  'The resolve of the British Government to support the Islanders has further strengthened my already concrete determination to go forward with our project as planned at the earliest

/practical

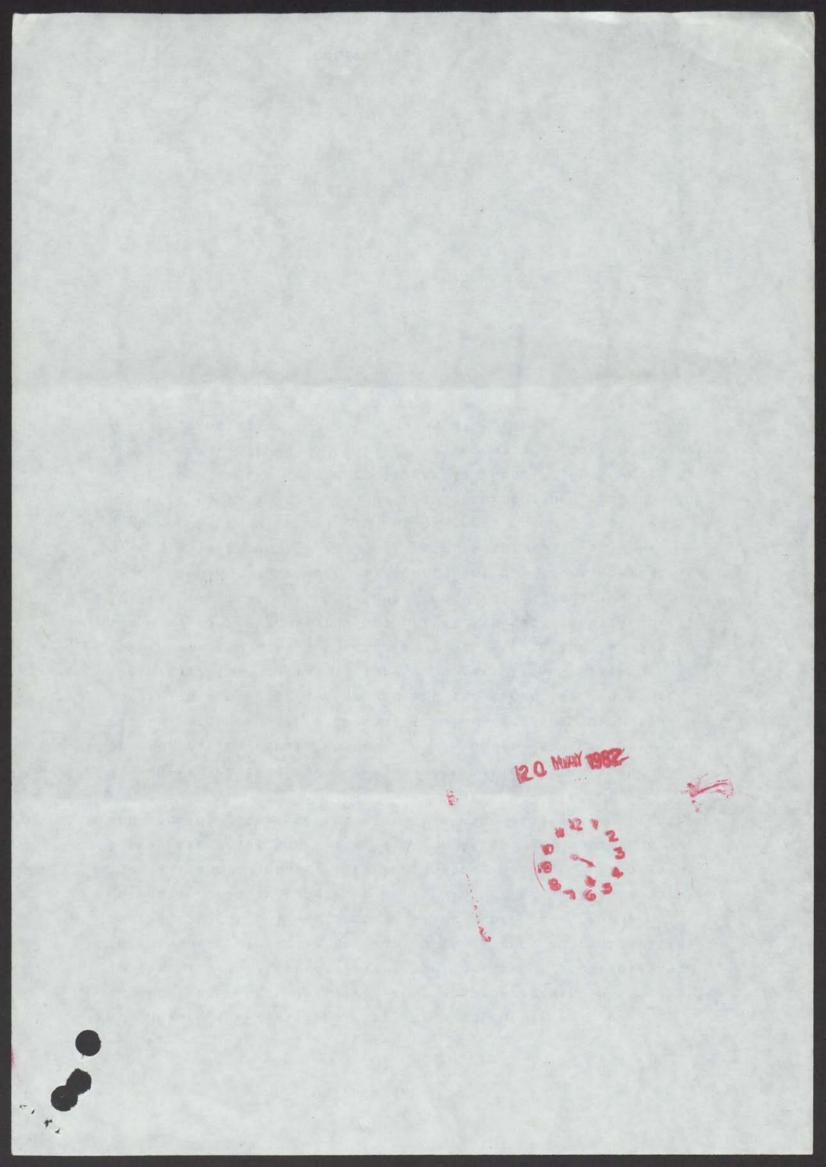
practical moment. Towards this end, I have retained and set into motion the staff and organisational structure required to proceed with the project as though nothing had interrupted our timetable.' I am confident that, as long as the resolve of the British Government remains, other private investment will flow into the Falkland Islands.

Accepting that Argentina will be able to continue to prevent any development of the Islands' deep-sea fisheries and possible off-shore oil deposits for the foreseeable future, other promising areas for investment are woolprocessing, tourism, salmon-ranching and inshore fisheries. For relatively modest sums (£50,000 to £100,000 per project) we could establish small-scale wool-scouring, spinning and sheepskin curing to add value to what is at present our only export, wool. Tourism would require considerably more capital but offers substantial rewards. At present American millionaires and insurance widows pay the earth to cruise round the Falklands, South Georgia and the Antarctic on the 'Lindblad Explorer' or 'World Discoverer'. Many come back time and time again, flying to South American ports from the USA to pick up their cruise ship. Stanley would make a more convenient base from which to operate, if only we had a larger airport and a suitable hotel. With a charter ship based at Stanley during the summer months, offering three-week cruises around the Falklands, South Georgia and the Antarctic Peninsula, we could tap the much larger market of wildlife and photographic enthusiasts who cannot afford the existing luxury cruises but who would be tempted by a less expensive way of indulging in the holiday of a lifetime. Eminent authorities such as Sir Peter Scott and Lord Buxton, who know the Islands well, and interested bodies like the Royal Society for the Protection of Birds are confident that a great opportunity exists, if only we could provide the basic facilities.

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#### CONFIDENTIAL

- 6. Before the invasion I had received enquiries from an American commercial firm about salmon-ranching possibilities in the Falkland Islands. They had successfully established this industry in Chile and wanted to extend their activities to the Islands. I had also received a proposal from a Norwegian trawler owner who wanted to bring his trawlers to the Falkland Islands to try the inshore fishing. At present he markets dried and salted fish in Africa and South America and considers that he could do this more easily from Stanley.
- 7. There are thus sound reasons for believing that the Islands can be developed and that Islanders can prosper without Argentina once the political uncertainty over the sovereignty dispute is removed and the Argentines convinced that there is no point in further hostilities. British Government aid will be needed to rehabilitate and improve the basic infrastructure; but private investment will surely follow. Is it too much to hope that, after Argentina by its aggression and subsequent arrogance has put itself beyond the pale of civilised nations, the Islands' security will be assured not only by Britain but by the USA and the United Nations? And, in time, might not the Argentines grow up and recognise the Islanders' right to choose? This would be the first step towards healing the wounds and leading to the closer association that must eventually come.





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## COMMONWEALTH GOVERNMENTS' REACTIONS TO FALKLANDS CRISIS

LED COYL

1. Attached is a list of Commonwealth Governments' reactions to the Falklands crisis as at 19 May. Reactions from the Dependent Territories have also been noted.

19 May 1982

COMMONWEALTH COORDINATION DEPT

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Kingstown

#### CONFIDENTIAL

# COMMONWEALTH GOVERNMENTS' REACTIONS TO FALKLANDS CRISIS

## Country

- \* Antigua and Barbuda Robust statement by PM copied to Commonwealth SG. Full support to UN initiative. Support in OAS/UN. Remain ''strongly pro-British'' after recapture of S.Georgia.
- Recalled Ambassador. He returned 28 April, delivering strongly worded message to Galtieri. Ban on imports; ban on credit. Robust statements/messages of support before and after recapture of S.Georgia. Statement at Security Council. PM wrote to President Reagan/lobbied with VP Bush. But quoted as saying that unlikely to be drawn into ''hostilities'': "outside our sphere of influence and our region".
- \*+ Bahamas Robust reply to PM's letter, to be referred to in Government statement. Note to Argentine Government urging compliance with SCR 502. Robust statement.
  - Bangladesh Statement condemning ''use of force in settling disputes''. Robust statement privately to High Commissioner from Permanent Secretary Foreign Affairs. HelpfulmNAM.
- \*+ Barbados

  ''Full and complete support to any Commonwealth
  protest and initiative''. Prime Minister delivered
  statement during televised budget debate ensuring
  maximum coverage. Support in OAS.
- \*+ Belize Reply to PM. Telegram to UNSG. Robust statement.

  Message to Caricom ministers urging support for

  SCR 502. Continued support after recapture of
  S.Georgia and further hostilities.
- \* Botswana Statement ''strongly condemns'' Argentine action.

  No specific mention of support for UK. Replied to SG's letter. ''Likely'' to continue support following recapture of S.Georgia (BHC).
- \* Canada

  Robust and helpful line and statements. Recalled Ambassador. Returned 21 April. Passing reports from BA and other information to UK. Eanned military shipments. Cancelled Defence College visit. Ban on imports and export credit. Helpful statement on recapture of S.Georgia.



Cyprus

After long silence prior to recapture of South Georgia, declined to make ''an independent statement'' but will not ''say anything adverse''.

\*+ Dominica

Robust letter to Prime Minister. Robust message to UNSG.

\*+ Fiji

Robust statement by PM. ''Understanding and support'' at official level after recapture of South Georgia.

\* The Gambia

Robust Government statement. Helping with refuelling, etc.

Ghana

Response unlikely because of domestic crises. But Ghana ''would not condemn Britain, nor support Argentina''. Instructions to Missions on these lines.

Grenada

Unhelpful statement supporting Argentine's territorial claim but disapproving of use of force.

\*+ Guyana

Strong statement by Guyana Government. Voted for SCR 502. Robust reply to Ramphal's letter. Robust reply PM letter. Assurance of support from PM in UN/NAM before and after recapture of South Georgia.

India

Lukewarm; appealing to ''all parties'' to seek a ''peaceful resolution''. PM privately does not approve either of Argentine or UK action over South Georgia. BHC thinks in public India ''will probably try to maintain some sort of balance, but that Indian sympathies ''essentially with us''. This could change if international opinion turned against UK.

\*+ Jamaica

Robust statement.

\* Kenya

Robust statements (one in UNGA).

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Kiribati

Robust statement in message to Argentine Government condemning invasion (made public).

\*+ Lesotho

Response to SG expressing ''deep concern''. Felpful in NAM. PM ''saw no difficulty about support'' over S.Georgia but would need to consult. Statement in National Assembly in support of S.Georgia.

\*+ Malawi

President's robust reply to PM: moral backing for use of force if necessary. Robust statement. President assured that he ''fully supported British action in South Atlantic'' following recapture of S.Georgia and further hostilities. President's ''deep sorrow'' at losses of HMS ''Sheffield'' and Harriers.

Malaysia

Weak statement although ''deeply disturbed''. Little prospect of ''official reaction'' to recapture of S.Georgia; but UK points conveyed to PM.

Malta

No statement yet. Avoided participation in Council of Europe vote; but in conversation with BHC Foreign Minister said Malta ''committed in support''. Disposition after recapture of S.Georgia unchanged.

\*+ Mauritius

Robust reply to Ramphal quoting Security Council instructions. Robust statement. Congratulated on recapturing S.Georgia. PM ''sympathetic'' after further military action.

Nauru

\* New Zealand

Robust statements/messages of support. Broken diplomatic relations. Support at UN. Cancelled Argentine flight schedule. Ban on trade, supply of arms/military material, export credits. ''Support of [NZ] Government'' for action taken to recapture S.Georgia.

\*+ Nigeria

Message to PM. Helpful statement. Instructions to be helpful in NAM.

\* Papua New Guinea

Robust statement by PM PNG. To make feelings known through international bodies. Responded to SG quoting statement. Told Argentine Government that unless complies with SCR 502 PNG will break off diplomatic relations. Assurance of continued support after recapture of S. Georgia.

\*+ Saint Lucia

Strong statement. Helpful statement in OAS.

\*+ Saint Vincent and the Grenadines

Robust statement. Copy sent to SG.

\* Seychelles

Response to PM letter deploring aggression: made public. Unwilling to give indication of "likely Government reaction" after recapture of S. Georgia.

\*+ Sierra Leone

Statement views developments ''with great concern''. Ambassador UN instructed to "condemn Argentine action in strong terms". SLG providing first-class facilities for refuelling etc. Support after recapture of S. Georgia. Helpful in NAM.

\*+ Singapore

Fairly robust statement although no specific mention of support for UK. Robust reply from PM to PM's message.

\*+ Solomon Islands

Robust statement. Government has also sent message to SG of UN and to SG of Commonwealth. ''Assurance'' of support to Prime Minister. Robust reply to PM letter. ''Wholly sympathetic'' over action to recapture S. Georgia.

Sri Lanka

Message to Prime Minister "condemns use of force" but no specific support for UK. Helpful in NAM.

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\*+ Swaziland

Statement expressing "great concern" at invasion and supporting SCR 502. Instructions on similar lines sent to New York. Following S. Georgia and other hostilities PM and FM gave assurances of continued support in UN and generally.

Tanzania

Statement regrets Argentine military actions but no specific mention of support for UK. Letter to PM from President expressing "sympathy" over Falklands problem. "Wholly sympathetic" response from Foreign Minister after recapture of S. Georgia and "no tendency" at highest level to criticise even if force used to remove Argentines.

\* Tonga

Robust reply to PM letter: would support "any action" by us to reassert sovereignty. Robust public statement. Argentine citizens banned from Tonga. "Sympathetic understanding" of UK position after recapture of S. Georgia.

\*+ Trinidad and Tobago

"Feeble" public statement, but helpful in OAS. Twice abstained in votes to invoke Rio Treaty. Likely that Trinidad would maintain in OAS its support for SCR 502. No reaction to recapture of S. Georgia. PM's message thanking for help in OAS made public. Senior Minister privately expressed strong support for UK position.

\*+ Tuvalu

Robust reply to SG and Secretary of State.

\* Uganda

Voted for SCR 502. Helpful with Non-Aligned. Replied to PM letter: "great concern". Statement condemning aggression. Support after recapture of S. Georgia and continued support in UN.

\* Vanuatu

Statement "strongly condemns" invasion, but also calls upon UK to "reconsider" military retaliation. Coped to SG, PM, Argentine Government, UN. PM "most receptive" and "entirely satisfied" over recapture of S. Georgia.

Western Samoa

\*+ Zambia

Statement by Acting President deploring invasion. Support in NAM. Continued support after recapture of S. Georgia. Foreign Minister expressed "very deep sorrow" at loss of life in HMS Sheffield.

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Zimbabwe Inadequate statement but urging UK and

Argentina to abide by SCR 502. No

reaction to recapture of South Georgia further

hostilities.

DEPENDENT TERRITORIES

Bermuda Public statement: Premier "deplores"

invasion; supports self-determination.

Offered facilities. Ministers urged

trade ban.

British Virgin

Islands

Import ban.

Cayman Islands Public subscription to be sent to UK with

"appropriate message from government and

people". Trade ban.

Gibraltar Robust resolution in House of Assembly in

support of UK following recapture of S Georgia.

Hong Kong Imports ban. Imposed visa requirement on

Argentines. Argentine Consulate-General

closed.

Montserrat "Public consider Britain is right". "Pleased

with S Georgia news".

St Helena "Fully supports UK action".

Tristan da Cunha "Sympathy for Falkland Islanders" and "total

support for measures ... to recover island".

Turks and Caicos

Islands

Statement by Chief Minister: "We are

behind Mrs Thatcher".

### Notes:

- Countries which have explicitly (or implicitly through support for SCR 502) in public or in private condemned Argentina's invasion and/or called for withdrawal of Argentine forces.
- Countries which have expressed support for the principles of self determination in relation to the Falklands.

RESTRICTED Foreign and Commonwealth Office London SW1A 2AH 19 May, 1982 A. J. C. 20/5. Deer John. Falkland Islands: 1971 Communications Agreement I understand that there was some discussion in Cabinet on 18 May of the 1971 Communications Agreement and of the safeguards it provides against excessive Argentine influence in the Islands, for example through immigration. I enclose a copy of the Agreement. It is principally concerned with the facilitation of movement between the Islands and Argentina. The only provision which in any way concerns immigration into the Islands is in paragraph 6 of the Joint Statement which says that the British and Argentine Governments should facilitate the 'transit, residence and work' of persons directly concerned with practical measures adopted in connection with the Agreement. In essence, this meant the Argentine personnel required to run the external air service. Although the Agreement provided for a special document for travel between the Falkland Islands and Argentina (the 'White Card'), all Argentines who entered the Islands following the introduction of the Agreement were nevertheless still subject to the normal immigration procedures. Any requests to remain in residence or buy property there were considered in the light of the relevant Falkland Islands legislation, which provided the Falkland Islands Government with full control over both residence and property rights. I am copying this letter and its enclosure to the Private Secretaries of other members of ODSA, the Attorney General, Sir Robert Armstrong and Sir Michael Palliser. You may like to consider whether it should also be distributed to other members of the Cabinet.

> (J E Holmes) Private Secretary

A J Coles Esq Private Secretary 10 Downing Street



Treaty Series No. 64 (1972)

# Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Argentine Republic
concerning Communications between
the Falkland Islands and the
Argentine Mainland

Buenos Aires, 5 August 1971

(with Joint Statement and related Notes)

[The Agreement entered into force on 5 August 1971]

Presented to Parliament

by the Secretary of State for Foreign and Commonwealth Affairs

by Command of Her Majesty

June 1972

LONDON
HER MAJESTY'S STATIONERY OFFICE
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Cmnd. 5000

**EXCHANGE OF NOTES** 

BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND AND THE
GOVERNMENT OF THE ARGENTINE REPUBLIC CONCERNING
COMMUNICATIONS BETWEEN THE FALKLAND ISLANDS
AND THE ARGENTINE MAINLAND

No. 1

The British Chargé d'Affaires ad interim at Buenos Aires to the Argentine Minister for Foreign Affairs and Worship

British Embassy,
Buenos Aires.

Your Excellency,

5 August, 1971.

I have the honour to refer to the Resolution of the General Assembly of the United Nations number 2065 (XX) of the 16th of December 1965 and the letters dated the 21st of November 1969 and the 11th of December 1970 from the Permanent Representatives to the United Nations of the United Kingdom of Great Britain and Northern Ireland and the Argentine Republic addressed to the Secretary-General of the Organisation on the question of the Falkland Islands, and also to the Joint Statement on communications and movement between the Argentine mainland and the Falkland Islands initialled in Buenos Aires by the representatives of the two Governments on the 1st of July 1971, and to inform Your Excellency that the Government of the United Kingdom are prepared to conclude an agreement with the Government of the Argentine Republic in the following terms:

- 1. (a) Since divergence remains between the two Governments regarding the circumstances that should exist for a definitive solution to the dispute concerning sovereignty over the Falkland Islands, nothing contained in the Joint Statement referred to above and approved by our two Governments on today's date shall be interpreted as:
  - (i) a renunciation by either Government of any right of territorial sovereignty over the Falkland Islands; or
  - (ii) a recognition of or support for the other Government's position with regard to territorial sovereignty over the Falkland Islands.
- (b) No acts or activities taking place as a consequence of the Joint Statement referred to above having been put into operation and while it is in operation shall constitute a basis for asserting, supporting, or denying the position of either Government with regard to territorial sovereignty over the Falkland Islands.
- 2. Either Government may denounce this agreement subject, to six months' prior notice in writing.

(1) See pages 5 and 9.

If the foregoing is acceptable to the Government of the Argentine Republic, I have the honour to propose that this Note together with Your Excellency's reply in that sense shall constitute an agreement between the two Governments which shall enter into force on the date of your reply.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

T. PETERS

Her Majesty's Chargé d'Affaires

No. 2

No. 2

Ministro de Relaciones Exteriores y Culto, Buenos Aires.

Señor Encargado de Negocios:

5 de agosto de 1971.

Tengo el honor de dirigirme a Vuestra Excelencia con el objeto de acusar recibo de su atenta nota del día de la fecha cuyo texto transcribo a continuación:

" Señor Ministro:

Tengo el honor de referirme a la Resolución 2065 (XX) de la Asamblea General de las Naciones Unidas del 16 de diciembre de 1965 y a las cartas de fecha 21 de noviembre de 1969 y 11 de diciembre de 1970, dirigidas por los Representantes Permanentes de la República Argentina y del Reino Unido de Gran Bretaña e Irlanda del Norte ante las Naciones Unidas al Secretario General de la Organización en la cuestión de las Islas Malvinas, así como a la Declaración Conjunta sobre comunicaciones y movimiento entre el territorio continental argentino y las Islas Malvinas, inicialada en Buenos Aires por los representantes de los dos Gobiernos el 1º de julio de 1971, para informar a V.E. que el Gobierno del Reino Unido está dispuesto a concluir un acuerdo con el Gobierno de la República Argentina en los siguientes términos:

- 1.—a) Si bien subsiste divergencia entre los dos Gobiernos en cuanto a las circunstancias que deberían existir para una solución definitiva de la disputa acerca de la soberanía sobre las Islas Malvinas, nada de lo contenido en la Declaración Conjunta antes citada, y aprobada por nuestros dos Gobiernos en el día de la fecha, podrá ser interpretada como:
  - i) Una renuncia por cualquiera de los dos Gobiernos a derecho alguno de soberanía territorial sobre las Islas Malvinas;
  - ii) Un reconocimiento o apoyo de la posición del otro Gobierno acerca de la soberanía territorial sobre las Islas Malyinas.

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- b) Ningún acto o actividad que se lleve a cabo como consecuencia de haber sido puesta en ejecución la Declaración Conjunta antes mencionada y mientras ella esté en ejecución podrá constituir fundamento para afirmar, apoyar o denegar, la posición de cualquiera de los dos Gobiernos acerca de la soberanía territorial sobre las Islas Malvinas.
- 2) Cualquiera de los dos Gobiernos podrá denunciar este acuerdo sujeto a una notificación previa por escrito de seis meses.

Si lo manifestado precedentemente es aceptable para el Gobierno de la República Argentina, tengo el honor de proponer que esta nota conjuntamente con la respuesta de Vuestra Excelencia en el mismo tenor, constituya un acuerdo entre los dos Gobiernos que entrará en vigor en la fecha de su respuesta.

Aprovecho la oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta consideración. Fdo. T. PETERS".

Al comunicar a Vuestra Excelencia la conformidad del Gobierno argentino con los términos de la nota transcripta, cuyo texto y el de esta respuesta constituyen un acuerdo entre ambos Gobiernos, aprovecho la oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

L. M. DE PABLO PARDO

### [Translation of No. 2]

Ministry of Foreign Affairs and Worship,
Buenos Aires. Buenos Aires.

Sir:

5 August 1971.

I have the honour to address Your Excellency in order to acknowledge the receipt of your Note of today's date, the text of which reads as follows:

### [As in No. 1]

In communicating to Your Excellency the conformity of the Argentine Government with the terms of the above Note, the text of which and of this reply constitute an agreement between the two Governments, I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

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L. M. DE PABLO PARDO

### JOINT STATEMENT

Special conversations were continued in Buenos Aires from the 21st until the 30th of June 1971 about communications and movement between the Argentine mainland and the Falkland Islands by delegations of the Government of the United Kingdom of Great Britain and Northern Ireland and of the Argentine Republic, the former including participants from the Islands. The conversations were within the general framework of the negotiations recommended by Resolution No. 2065 (XX) of the General Assembly of the United Nations and in accordance with letters addressed to the Secretary-General of the Organisation by the Permanent Representatives of both countries on the 21st of November 1969 and the 11th of December 1970.

The delegates concluded that, subject to the approval of their Governments, the following measures should be adopted on the understanding that they may contribute to the process of a definitive solution to the dispute between the two Governments over the Islands which is referred to in Resolution No. 2065 (XX) mentioned above.

- 1. In order to deal with questions which might arise over the setting up and promotion of communications between the Argentine mainland and the Falkland Islands in both directions, including questions relating to the movement of persons, those which might arise for residents of the Islands while they were on the mainland and those concerning residents of the mainland while they were in the Islands, a special consultative committee should be set up, consisting of representatives of the Argentine Ministry of Foreign Affairs and the British Embassy, with its headquarters in Buenos Aires. The Committee should have its representatives in Port Stanley who would keep it informed.
- 2. The Argentine Government should issue a document, in the form annexed, to residents of the Falkland Islands irrespective of their nationality who wished to travel to the Argentine mainland, which would allow them free movement within it. A document in the same form issued by the Argentine Government should be the only document needed by residents of the Argentine mainland for journeys to the Falkland Islands.
- 3. Residents in the Falkland Islands should be exempted by the Argentine Government from all duties, taxes, and any other obligations arising as a result of activities in the Falkland Islands. In addition, residents of the Falkland Islands who go to the Argentine mainland in order to provide services connected with communications should be exempt from taxes on their salaries and other emoluments which they receive from their British employers. The British Government should make no claim on residents of the Argentine mainland who provide services in the Falkland Islands for activities related to communications for taxes on their salaries and other emoluments which they receive from their Argentine employers.
- 4. The Argentine Government should take the necessary practical measures so that the normal luggage of residents of the Falkland Islands who travel between the Falkland Islands and the Argentine mainland in either direction should be free from the payment of all duties and taxes. Residents of the Falkland Islands should be exempted from the payment of all Argentine

duties and taxes in respect of their luggage, household effects and motor cars passing directly through the Argentine mainland towards the Falkland Islands or going abroad through the Argentine mainland. The British Government should take the necessary measures so that the normal luggage of residents of the Argentine mainland who travel between the Argentine mainland and the Falkland Islands in either direction will be exempted from the payment of all duties and taxes.

- 5. The Argentine Government should take the necessary measures so that each resident of the Islands who establishes a permanent residence on the Argentine mainland may bring in once only free of all duties and taxes all personal effects, household effects and a motor car. Equally, the British Government should take the necessary measures so that each resident on the Argentine mainland who establishes a permanent residence in the Falkland Islands, may bring in once only free of all duties and taxes all personal effects, household effects and a motor car.
- 6. The British and Argentine Governments should facilitate in the Falkland Islands and on the Argentine mainland respectively, the transit, residence and work of persons directly concerned with practical measures adopted in order to implement and promote communications and movement.
- 7. The British Government should take the necessary measures to arrange for a regular shipping service for passengers, cargo and mail between the Falkland Islands and the Argentine mainland.
- 8. The Argentine Government should take the necessary measures to arrange for a regular service of weekly frequency by air for passengers, cargo and mail between the Argentine mainland and the Falkland Islands.
- 9. Pending the completion of the airfield at Port Stanley, the Argentine Government should provide a temporary service by amphibian aircraft between the Argentine mainland and the Falkland Islands for passengers, cargo and mail. This service should be reviewed from time to time in the light of progress in the construction of the airfield mentioned above.
- 10. Both Governments should co-operate over the simplification of administrative practices, regulations and documentation for sea and air transport bearing in mind the need to promote and speed up communications.
- 11. In order to facilitate the movement of persons born in the Falkland Islands, the Argentine Government should take the necessary measures to exempt them from all obligations related to enlistment and military service. The British Government should declare that in the Falkland Islands no obligations for enlistment for military service exist.
- 12. Both Governments should study and exchange views on measures to facilitate trade and to permit a greater ease of commercial transactions.
- 13. The British and Argentine Governments should take the necessary measures so that postal, telegraphic and telephone communications in both directions between the Argentine mainland and the Falkland Islands are as effective and expeditious as possible.

- 14. The tariff for postal, telegraphic and telephone communications in both directions between the Argentine mainland and the Falkland Islands should be at a rate equivalent to the internal rate at the place of origin of the communications.
- 15. Postage stamps on mail travelling between the Argentine mainland and the Falkland Islands in either direction should be cancelled with a mark referring to this joint statement. Mail bags should be similarly marked.
- 16. The Argentine Government should be prepared to co-operate in the health, educational, agricultural and technical fields if so requested. The Argentine Government should arrange for places to be available in schools on the Argentine mainland for the children of residents of the Falkland Islands and should offer scholarships which should be published from time to time, the number of which should be decided upon in the light of local requirements. Both Governments should continue to exchange views on the matters referred to in this paragraph.
- 17. Conversations should be continued through the customary diplomatic channels and the next meeting should be held in Port Stanley in 1972.
- 18. If either Government should decide to terminate the measures referred to above, it should give six months' notice of its decision to the other Government.

Initialled in Buenos Aires on the 1st day of July 1971 by the Heads of the respective delegations.

D.A.S.

J.B.



### ANEXO A LA DECLARACION DE BUENOS AIRES DEL 1° DE JULIO DE 1971

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Johnan Wallanie of Life República Argentina dotale Inice Tables quintina

Certificado provisorio emitido conforme a la Declaración Conjunta de Buenos Aires de 1971

(Temporary card issued in accordance with the Joint Statement of Buenos Aires of 1971)

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Otorgado(Issued	de 197	Firma del titular (Signature of bearer)
		EVERSO
El presente certificado provisorio deberá ser exhibido a las autoridades cada vez que se lo requiera.		<ol> <li>The present temporary card must be produced to the authorities whenever requested.</li> </ol>
2) El status del titular de este certificado está contemplado en la Declaración Conjunta de Buenos Aires de 1º de Julio de 1971.		2) The bearer is covered by the Joint Statement of Buenos Aires of 1st July 1971.
<ol> <li>Para más información y averigua- ciones recurra al Ministerio de Relaciones Exteriores y Culto Arenales 761, 3er.piso, teléfonos 32-4252 y 31-0071, Buenos Aires.</li> </ol>		<ol> <li>For further information or inquiries apply to: Ministerio de Relaciones Exteriores y Culto, Arenales 761, 3er.piso, Telephones 32-4252 y 31-0071, Buenos Aires.</li> </ol>
Nota: Debajo de escudo como el que f	"República Argentin	na" en el anverso de la tarjeta se agregará un perior izquierdo de esta hoja.(¹)

(1) [Translation]

Note: Under "Argentine Republic" on the front of the card there will be added a shield in the form shown at the top left-hand corner of this page.

#### DECLARACION CONJUNTA

En la ciudad de Buenos Aires, del 21 al 30 de junio de 1971, continuaron las conversaciones especiales sobre comunicaciones y movimiento entre el territorio continental argentino y las Islas Malvinas entre las delegaciones de la República Argentina y del Reino Unido de Gran Bretaña e Irlanda del Norte, esta última con participación de isleños. Las conversaciones tuvieron lugar dentro del marco general de las negociaciones recomendadas por la Resolución 2065 (XX) de la Asamblea General de las Naciones Unidas y de conformidad con las cartas dirigidas al Secretario General de la Organización por los Representantes Permanentes de ambos países el 21 de noviembre de 1969 y el 11 de diciembre de 1970.

Los delegados llegaron a la conclusión que, sujeto a la aprobación de sus respectivos gobiernos, deberían ser adoptadas las siguientes medidas en el entendimiento de que ellas pueden contribuir al proceso de una solución definitiva de la disputa sobre las islas entre los dos Gobiernos a la que se refiere la Resolución 2065 (XX) antes mencionada.

- 1) Con el fin de tratar las cuestiones que pudieran surgir en el establecimiento y promoción de las comunicaciones entre el territorio continental argentino y las Islas Malvinas en ambas direcciones, incluídas las relativas al movimiento de personas, las que pudieran presentarse a los residentes de las Islas mientras se encuentren en territorio continental argentino y a los residentes de este último mientras se encuentren en las Islas, se establecerá una Comisión Consultiva Especial constituída por representantes del Ministerio de Relaciones Exteriores argentino y de la Embajada británica, con sede en Buenos Aires. La Comisión tendrá sus representantes en Puerto Stanley que informarán a la misma.
- 2) El Gobierno argentino otorgará un documento, según el modelo anexo, a los residentes en las Islas Malvinas, sin referencia a la nacionalidad, que deseen viajar al territorio continental argentino y que permitirá su libre desplazamiento en él.

El mismo documento emitido por el Gobierno Argentino será el único documento requerido a los residentes del territorio continental argentino para viajar a las Islas Malvinas.

3) Los residentes en las Islas serán declarados por el Gobierno argentino exentos del pago de derechos e impuestos y de cualquier otra obligación como resultado de actividades en las Islas. Además, los residentes en las Islas que se trasladen al territorio continental argentino para prestar servicios en actividades relacionadas con las comunicaciones estarán exentos de impuestos por sus salarios y otros beneficios que reciban de sus empleadores británicos.

El Gobierno británico no demandará el pago de impuestos a los residentes provenientes de territorio continental argentino que presten servicios en las islas en actividades relacionadas con las comunicaciones por sus salarios y otros beneficios que reciban de sus empleadores argentinos.

4) El Gobierno argentino tomará las medidas prácticas necesarias para que el equipaje normal de los residentes en las Islas Malvinas que viajen entre ellas y el territorio continental argentino, cualquiera sea la dirección, esté libre de todo pago de derechos e impuestos.

Los residentes de las Islas Malvinas estarán exentos del pago de todos los derechos e impuestos respecto de sus equipajes y efectos del hogar y

automóviles que pasen directamente a través del territorio continental argentino hacia las Islas Malvinas o que pasen a través del territorio continental argentino con destino al extranjero.

El Gobierno británico tomará las medidas necesarias para que el equipaje normal de los residentes en el territorio continental argentino que viajen a las Islas Malvinas o desde éstas al territorio continental argentino esté exento de todo pago de derechos e impuestos.

5) El Gobierno argentino tomará las medidas necesarias para que todo residente en las Islas Malvinas que establezca su domicilio en el territorio continental argentino pueda ingresar, por una sola vez libre de derechos e impuestos, todos sus efectos personales, del hogar y un automóvil.

Igualmente el Gobierno británico tomará las medidas necesarias para que todo residente en territorio continental argentino que establezca su domicilio en las Islas Malvinas pueda ingresar, por una sola vez libre de derechos e impuestos, todos sus efectos personales, del hogar y un automóvil.

- 6) Los Gobiernos argentino y británico facilitarán en el territorio continental argentino y en las Islas Malvinas respectivamente, el tránsito, la residencia y las tareas de las personas directamente vinculadas con las medidas prácticas adoptadas para realizar y promover las comunicaciones y movimiento.
- 7) El Gobierno británico tomará las medidas necesarias para el establecimiento de un servicio marítimo regular de pasajeros, carga y correspondencia entre las islas Malvinas y el territorio continental argentino.
- 8) El Gobierno argentino tomará las medidas necesarias para el establecimiento de un servicio aéreo regular de frecuencia semanal de pasajeros, carga y correspondencia entre el territorio continental argentino y las islas Malvinas.
- 9) Mientras no se concluya la construcción del aerodromo de Puerto Stanley, el Gobierno argentino proveerá un servicio aéreo temporario con aviones anfibios entre el territorio continental argentino y las Islas Malvinas para pasajeros, carga y correspondencia. Este servicio será examinado periódicamente a la luz del progreso en la construcción del aerodromo antes mencionado.
- 10) Ambos Gobiernos cooperarán en la simplificación de las prácticas, reglamentaciones y documentación del transporte marítimo y aéreo, teniendo en cuenta la necesidad de promover y agilitar las comunicaciones.
- 11) Con el fin de facilitar el movimiento de personas que hayan nacido en las Islas Malvinas el Gobierno argentino tomará las medidas necesarias para exceptuarlas de todas las obligaciones de enrolamiento y de servicio militar.
- El Gobierno británico declarará que en las Islas Malvinas no existen obligaciones de enrolamiento para incorporarse al servicio militar.
- 12) Ambos Gobiernos estudiarán e intercambiarán puntos de vista para facilitar el comercio y para permitir una mayor fluidez en las transacciones comerciales.
- 13) Los Gobiernos argentino y británico tomarán las medidas necesarias para que las comunicaciones postales, telegráficas y telefónicas entre el territorio continental argentino y las Islas Malvinas en ambas direcciones sean lo más eficientes y expeditivas posible.

14) Las tarifas para las comunicaciones postales, telegráficas y telefónicas entre el territorio continental argentino y las Islas Malvinas en ambas direcciones serán iguales a las internas del lugar de origen de las comunicaciones.

15) Los sellos de correo de la correspondencia entre el territorio continental argentino y las Islas Malvinas en cualquiera de las dos direcciones serán cancelados con un sello que se refiera a esta Declaración conjunta. Las sacas de correspondencia serán selladas en forma similar.

16) El Gobierno argentino estará dispuesto a cooperar en los campos de la salud, educacional, agrícola y técnico en respuesta a requerimientos que pudieran formulársele.

El Gobierno argentino tomará las medidas necesarias para obtener plazas en escuelas en territorio continental argentino para los hijos de residentes en las Islas Malvinas y ofrecerá becas que serán anunciadas periódicamente y cuyo número se decidirá a la luz de los requerimientos locales.

Ambos Gobiernos continuarán su intercambio de puntos de vista en las materias referidas en este párrafo.

- 17) Las conversaciones continuarán a través de los canales diplomáticos habituales y la próxima reunión tendrá lugar en Puerto Stanley en 1972.
- 18) Si cualquiera de los dos Gobiernos decidiera dejar sin efecto las medidas referidas precedentemente, deberá anunciar tal decisión al otro Gobierno con seis meses de anticipación.

Inicialada en Buenos Aires el 1er día de julio de 1971, por los Jefes de las delegaciones respectivas.

J.B.

D.A.S.

[Annex as in No. 3]

No. 3

The British Chargé d'Affaires ad interim at Buenos Aires to the Argentine Minister for Foreign Affairs and Worship

> British Embassy, Buenos Aires.

Your Excellency,

5 August 1971.

I have the honour to inform you that the Government of the United Kingdom of Great Britain and Northern Ireland approves the Joint Statement concerning communications between the Falkland Islands and the Argentine mainland, which was initialled by representatives of our two Governments in Buenos Aires on the 1st of July 1971. The United Kingdom Government will for its part put into operation the measures referred to in that Joint Statement with effect from today's date.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

T. PETERS

Her Majesty's Chargé d'Affaires

The Argentine Minister for Foreign Affairs and Worship to the British Chargé d'Affaires ad interim at Buenos Aires

> Ministro de Relaciones Exteriores y Culto, Buenos Aires.

Señor Encargado de Negocios:

5 de agosto de 1971.

Tengo el honor de informar a Vuestra Excelencia que el Gobierno de la República Argentina aprueba la Declaración Conjunta sobre comunicaciones entre las Islas Malvinas y el territorio continental argentino, que fue inicialada por los representantes de nuestros dos Gobiernos en Buenos Aires el 1° de julio de 1971.

El Gobierno de la República Argentina por su parte pondrá en ejecución las medidas referidas en esa Declaración Conjunta, con efecto a partir del día de la fecha.

Aprovecho esta oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta consideración.

L. M. DE PABLO PARDO

[Translation of No. 4]

Ministry of Foreign Affairs and Worship, Buenos Aires.

Sir:

5 August 1971.

I have the honour to inform you that the Government of the Argentine Republic approves the Joint Statement concerning communications between the Falkland Islands and the Argentine mainland, which was initialled by representatives of our two Governments in Buenos Aires on the 1st of July 1971. The Argentine Government will for its part put into operation the measures referred to in that Joint Statement with effect from today's date.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

L. M. DE PABLO PARDO

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Mila Pallisa Partisa I would be grateful If you could let me know whether you are content with fee's draft letter to George Foulter (attached). The hard Pasident will went to write this morning. Tony Bastian 20/5 Agreed by whome na MAD '20/v.

Foreign and Commonwealth Office

London SW1A 2AH



19 May 1982

Dear David,

You asked us to produce the draft of a reply which Mr Biffen might send to Mr George Foulkes MP in response to the question which the latter raised in the House about the mechanism to be used for informing the House if we were legally in a state of war with Argentina.

I enclose a draft accordingly.

TW(J E HOLMES) Private Secretary

David Heyhoe Esq PS/Lord President of the Council Privy Council Office Whitehall LONDON SW1



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DRAFT LETTER

George Foulkes, Esq, MP

To:-

Type 1 +

From

Mr Biffen
Telephone No. Ext.

Department

I promised to let you have a reply to the question you put in the House on 13 May about the mechanism for informing the House if we were legally in a state of war with Argentina 2. As you will be aware, the military and naval operations which we are currently conducting in the South Atlantic are being carried out in exercise of the United Kingdom's inherent right of self-defence recognised in Article 51 of the United Nations Charter, following upon the flagrantly unlawful Argentine invasion and occupation of the Falkland Islands. The prime objective of these operations is to secure the withdrawal of Argentine forces from the Islands. In the circumstances, we do not consider that there exists a state of war between this country and Argentina. However, should Argentina formally declare war against the United Kingdom, an immediate statement would be made to the House.

RESTRICTED

PA

SAPU(82) 22

### SOUTH ATLANTIC PRESENTATION UNIT (SAPU)

Attached for information are transcripts of the Prime Minister's radio interview with Jimmy Young this morning and Mr Nott's briefing of Defence correspondents on Tuesday. Please note that Mr Nott's answers are unattributable.

Cabinet Office 19 May 1982

## PRIME MINISTER ON THE JIMMY YOUNG SHOW: WEDNESDAY 19 MAY JY: Prime Minister, Good Morning. PM: Good Morning. JY: Now Argentina's reaction to Britain's latest round of peace proposals, as we have heard, have been handed to Britain's Ambassador to the United Nations, who will now report to you. Now have you had a chance yet to study the reply? Does it contain anything new do you think which could be developed by our negotiators? PM: Well the news wasn't quite right. We haven't actually had the reply. We have had just a preliminary indication from our Ambassador in New York and we will await the full reply. It has to be translated, it has to be transmitted and then obviously we have to study it. But from the indications that were given to him I am afraid it doesn't look very encouraging. But we must wait for the whole thing. JY: Now I was talking to Mr. Healey yesterday on this programme and he said, and I quote from the transcript of what he said, "we don't know for certain the state of negotiations or precisely what the Government is asking for and what are the issues on which they are prepared to negotiate". I just wondered if you could clarify what are the essential demands that you are making and what are the things on which you wouldn't want to give way, or wouldn't give way. I wonder if I can describe it like this. First the Argentine forces have to leave the Islands. Then we have to have someone to verify the withdrawal and then we have to have a period during which we enter into negotiations. Now, I think the important thing is that during that period the people on the Islands must be allowed to live the life to which they have been used. They have their own democratic institutions, of course they do, we're a democracy. They have their own law and during that interim period we must not have any attempt to change the life of the Islanders that it would lead inevitably to a great influx of Argentinians and lead inevitably to a transfer of sovereignty. So we have to arrange that interim period so that it doesn't prejudge the final outcome. Because that is still a matter for negotiation. And of course, you know, don't / think

think necessarily that its only British sovereignty which we still have or Argentine sovereignty. We, after all, are experts at de-colonisation, genuine de-colonisation and bringing people to independence. And in our view is it is the interests and wishes of the Islanders which really are the most important thing.

JY: Would it betale to say that three main points on this: sovereignty, the rights of the Islanders to self-determination and perhaps the need to show that what you have described as "naked armed aggression" just doesn't pay?

PM: I think first the Argentine troops have to leave the Islands. They were the invaders. If they are allowed to stay, there will be many other countries who will look and say "Ah, Ah, look you can take someone else's territory by force and it doesn't matter what United Nations Resolutions there are, no-one will actually put the invader off." I entirely agree. Invasion must not be seen to pay. Otherwise we shall have all sorts of boundaries changed by force and you'll get a kind of international anarchy. That matters, of course it does. Also those Falkland Islanders are British people. You know there are only 40 Argentinians in that Island and not all of them permanent residents. They are British people - some of them have been there far longer than some of their counterparts in Argentina. The families have been there far longer.

JY: Dealing with the matter of self-determination for a moment, I was talking on the programme on Monday to David Steel, and he said, (PM interrupted with "you have everyone here, don't you") Yes we have rather, and I have only been back since Monday. We were talking about a major long-term commitment to safeguard the security and democracy of the Islanders and he said, on Monday, "clearly that is not going to be possible, because you would have to have more troops on the Island than citizens, so military confidence doesn't actually provide a long-term solution". Would it be fair to say that at some stage you are going to have to make a decision on what is right in principle and what perhaps is achievable in practice?

PM: Yes you only need, really, to have a contingency to defend the Islands because you have got an invader close by. And really the

not prejudge the outcome and all the talks have yet to take place. But of course there an enormous gap opens up between ourselves and the Argentinians. We are a democratic country. We believe that power and strength comes from the people. They are a dictatorship. And of course this is a tremendous gap. I mean, look, who determines the interests of the people, the Government determines the interests of the people." We say "but don't you think the people ought to have some say in their future?"

JY: I certainly don't want to put words in your mouth, nor would you allow me to do so, but could I take it that you are coming down on the side of Mr. Nott who is saying that he could never visualise that the Falklands could become Argentine territory, but you are saying unless the Islanders would agree?

PM: Unless the Islanders wish to have it, or wish to have some sort of arrangement with the Argentinians. There was an agreement in 1971 which gave much greater communications to the Island between Argentina and the Falklands and there is a regular sea service and a regular air service. And the Argentines laid those on, which is why there are probably now 30 or 40 Argentinians in the Islands.

And I personally think that once you invade you put all of those things—which were working reasonably well and in a reasonably friendly way with the people, because you know from one people to another things are much more friendly sometimes than they are with the Junta—You put those arrangements at risk.

JY: You thought the Islanders wouldn't want to join up with the Argentines. Funnily enough Mr. Pym said the other day the Islanders will need to consider their position, this was after the traumatic events of the invasion and so on, and their wishes for the future might not be the same as before. Which I suppose some might read to mean they perhaps would like to come to some accommodation with the Argentines.

PM: What we say is that we have to consult the Islanders. And the experience they have gone through is a factor which undoubtedly will influence their views. I doubt very much whether it would influence them towards Argentinian sovereignty. I mean just look at what they have experienced, just look at some of the allegations that have been made about one of the people we are holding as a prisoner of war. The Swedish and the French want to question him.

And that is the kind of regime that we are dealing with. There is one thing. You see we were trying to talk with the Argentinians and we did have negotiations before all this broke out, and they didn't want negotiations they wanted invasion. But it only makes sense to say "Look, couldn't we both join in in developing the oil that may be there or the chemicals." That would be to their advantage and it would be to the advantage of our people on the Falkland Islands. Now what we are trying to do is to get more of those joint enterprises going. But you could do that actually without affecting sovereignty.

JY: I know, but the further we go we still seem to come back to this sticky issue.

PM: Yes, but only because, only because, if I may say so, the Argentinians invaded to get sovereignty. And what they are trying to do is to say "we will only leave provided we keep sovereignty". That is like a burglar saying "I'll only leave your house if I can take everything I have stolen with me".

JY: Well, the only thing I would say Prime Minister, it is a very grey area; because I have just come back from America and even President Reagan in a newspaper statement today, which I have got on the other side of the studio, said "The Argentinians do have some kind of a claim to the Islands." Its true to say that he went on to say that they shouldn't have exercised force to get it, but he did say that they have some kind of a claim.

PM: Well now look. What is not a grey area is this. Sovereignty at the moment is ours. It has not been changed by invasion. And sovereignty must never be changed by invasion. That's point number one. Number two - we believe in the right of people to democracy and therefore they must have an enormous say in their own future. Point number three - if this invasion succeeds there will be very many people the world over who are at risk. Now its Britain who stands up for democracy. Its Britain who stands upfor the international rule of law and its Britain that say's "enough is enough, this must be made to stop". None of that is a grey area. It is Britain who three or four times took the argument about the sovereignty of the dependancies to the International Court of Justice. The Argentinians refused to go. The Court therefore cannot pronounce unless both sides agree. The Argentinians have had a dispute with

it in the South Atlantic." So we're not going to be trapped by that one. So his suggestion that you can't do anything while there are negotiations is patently wrong. We've been carrying on doing what we believe is best and you've seen many of the results. Now what was the second one - shall we throw the whole of Latin America into the arms of the Soviets? What, merely by standing up for the rights of British people? Do you know Jimmy, I believe that we eventually shall succeed and the Argentines will leave. Do you know, the whole of the democratic world will rejoice. Thank goodness someone has stood up for people who are loyal to them and have stood up for democratic principles.

JY: Well I have to tell you, and I am sure I don't need to tell you, because you know anyway, but there is certainly great concern in America about South America. Indeed, I interviewed United States Senator Larry Presdor on the programme quite recently. He said the Americans are obsessed with the threat of Communism in South America.

PM: Well, if you look at Argentina, Argentines have already done quite a bit of tucking up with the Soviets as far as trade is concerned. You know full well that after Afghanistan the Americans put a grain embargo on sales to Soviet Union. What happened? The wheat was sold to the Soviet Union by the Argentines. Wheat and beef and 80 per cent of their food exports now go to the Soviet Union. So they have already got a very considerable relationship with the Soviet Union in food and that gives them a terrific balance of payments as far as the Russians are concerned. And what can the Russians supply then with ? . Not very much save arms so they have already got that. There already is, and the United States is very much aware of, the Peronistas, whose whole thesis is very similar to that of the Soviet Union and who use similar tactics. That is there already, but I do not believe that if you talk about the whole of Latin America, what Britain is doing by standing up for British people in the Falklands, and by standing up international law, will throw South America into the hands of the Soviets. Rather they will see Britain, and the Western world too, stands up for her own democracies; and they will see it as a strengthening of democracy-

I guess there are many many people in the Argentine who would love to have the rights that we have in Britain./Because forget Galtieri invaded to try to distract the tension from the great dissatisfaction

of the people with his own Government.

JY: Can I now ask you about something which concerns the Falklands but is a bit nearer to home. Now it is a very difficult time for you, for the whole Government; it must be very disappointing for you to have another crisis on your hands. This time the Agriculture Ministers rejection of the British position on the farm prices agreement. Were you very taken aback or very shocked by that?

PM: It is very serious. I didn't think they would do that because there has been an understanding every since 1966, since long before we went into the Community, that anything of major concern in the Common Market, the decisions, were only taken by unanimous agreement among all the countries. Indeed that was put into the White Paper which we debated in the House before we went in. There is a phrase which says that all the countries concerned recognise that an attempt to impose a majority view in a case where one or more Members considered their vital interests to be at stake would imperil the very fabric of the Community; and I did not think they would do this. and I think it undermines one confidence to some extent in our partners in Europe. No Head of Government warned me that they were going to do this in any way. It was part of the arrangement when we went in that things that were of vital interest to any particular country would only be decided unanimously. It is serious - because it is so serious we have to consider it very carefully and not dash in to a reaction-because it matters to the world that we have a stable area in Europe and, after all, let me put it this way, Europe owes a great deal to Britain and I hope she will not forget it.

JY: Just before you came in Prime Minister I interviewed Geoffrey Rippon on exactly the same thing and he described it as "the greatest crisis since we joined the EEC". Would you agree with that? the freedoms that are their heritage and we also stand for international law and those things we must uphold. We will try to uphold it, still by peaceful settlement. We cannot do that unless the Argentines are prepared to agree and if they are not then responsibility for anything else will be theirs.

JY: Prime Minister, thank you for talking to me on the programme

PM: Thank you very much. Good-bye.

Unattributable briefing by Mr Nott to Defence Correspondents on Tuesday 18 May 1982 at 1800 hours Do you now regret your policy which led to a go slow which has meant that some items of equipment have not been ready which they could have been, say, 7 months ago? Tankers for example. Air flight re-fuelling has been absolutely critical in this and one of the things we should look at. Q Should have not slowed up? We did slow up a little because we did not have enough money to do everything we wanted and I couldn't have seen there was going to be an emergency in the only part of the world where we would have needed a massive amount of additional tanker capacity. In retrospect what we should have done is to put massive resources into extra tanker capacity. Would you say that the task ahead of the forces now seems greater or lesser than it did in the first phase when the ships were sent out? How has your estimate of what they are up against changed? I think on the whole I would have expected things to have gone wrong and the Navy has had a triumph on the logistic side and done well operationally. Obviously some things have gone wrong but the logistics side has gone better than I had expected - ie no ships have broken down and to have got the ships this distance. So it has gone better than I might have expected. Will there now be a rethink on your policies eg INVINCIBLE? We will publish the White Paper without any changes but there are parts of the policy we will want to study. If we don't succeed in the UN in the next few days there are going to be military operations of one kind and another and we will learn a lot as a result of those operations and we should await the post mortem until it is all over. I have been impressed by the enormous scope of the improvisation of civil assets eg the ATLANTIC CONVEYOR. However much money we spend on defence it is always going to be the key area for our ability to suddenly expand our effort by the use of trade and civilian asset. Air flight re-fuelling, pilot fatigue rather than equipment fatigue is the limiting factor.

Do you think a military landing in the Falklands and armed re-possession is more or less likely today than it was 2 days ago? I am not commenting on that. When you talked 10 days ago about the options you were pretty neutral, either a long blockade or something quicker and sooner. Can we take it now that the likeliest is of landing than of long extended blockade? We had a very successful raid at Pebble Ridge and we have never denied that you can't go tossing around in the Atlantic forever with the winter coming on and expect all your kit to be in peak condition if you subsequently decide to do a landing. If we want to do a landing, we want to do it with a minimum loss of life and minimum casualties to both sides and if you rush prematurely there is likely to be more casualties than if you go in when the other side is thoroughly demoralised. So there is a balance. Q How do you see things happening if there has to be a landing? If there is a landing and following that a surrender or a forced withdrawal it poses very difficult issues. I think the Junta will fall, either replaced by other military officers or, more likely, a civilian Government but this is pure guess work. To invade those Islands again once we are in possession would pose much greater difficulties. It is a very important question and their surrender on the Island and us back in possession does not mean that negotiations have come to an end and diplomacy takes over at that stage because we do need a long term settlement. There can only be a diplomatic solution to the thing. Could you guide us in thinking about these options, how you see the Pebble Island operation, is it something that reassures you? And do you regard this as a pattern or series of such operations should a major assault be delayed for various reasons or do you feel this is a demonstration that you should be thinking in larger terms of a full scale alert? How do you suggest that we read the Pebble Island operation?

You should ask the question that did it indicate that the people there fought well or did they cave in rather fast when they were surprised in the middle of the night? What did that operation indicate in so far as morale and readiness of troops at that particular spot on the Island? Frankly, they did not put up a very good show - an encouraging incident. If we were to do more of those type operations we would get better view of their will to resist and how much ammunitiion and supplies they have got. What do you now read into the latest diplomatic situation? Are you pretty well convinced that it has virtually come to a stop? We are going to know within a very short space of time, this week. It is not dead yet though. I thought they might have accepted the Peruvian proposals and I do not think they can actually come to decisions. How important is it that we have 7 days left for a decision in Brussels about the sanctions and the pressure that this puts on the Government? A I am glad we have got the extra week but do not think it will stop us from going forward. On the World at One programme you were asked about sovereignty and you said: No, never would it be given. I do not want you to put too much on my answer. The position is that the question of Sovereignty should not be prejudged. If there is no settlement now and the Government goes in and invades is it looking for a restoration of the status quo ante which would involve us garrisoning the Islands for some considerable time. Is this the sort of contingency you are planning for at the moment? I do not think that if we were to go in that things would be the same as before. If they do surrender and leave the Island and we are put back in charge things are going to be very different.

Q Do you think the Argentines actually understand that?

A My own judgement is that they feel we are stiffening our position. I think that by the nature of their regime that they are incapable of coming to a rational decision.

FALKLAND ISLANDS: FCO SITREP: 0730 HRS, 19 MAY 1982

#### United Nations

- 1. Sr Ros, the Argentine Deputy Foreign Minister, has now presented to the UN Secretary-General the Argentine response to our latest proposals. Sir A Parsons subsequently saw Mr Perez de Cuellar and was told that the Argentines had produced a ten-page paper which was a mixture of requests for clarification, a restatement of known positions and the introduction of new elements. Sir A Parsons made it clear that this would be regarded as unsatisfactory in London. The Ambassador was not at that stage given a copy of the Argentine response, but we understand that this would be made available later today.
- 2. Meanwhile, UKMIS New York have drafted a UN Security Council Resolution as part of its contingency planning for our future moves at the UN.

#### Washington

3. Sir Nicholas Henderson told Judge Clark (US National Security Adviser) where we stood in the present negotiations. The Ambassador said that the Americans should contact him immediately if a new Presidential move was afoot. Sir N Henderson stressed that a US initiative at this moment would be inappropriate. Mr Clark assured the Ambassador that we could rely on US support.

#### EC

4. COREPER agreed the text of a Regulation putting into effect the agreement by EC Foreign Ministers on arrangements to extend the embargo on Argentine imports until 24 May.

#### Military Situation

- 5. The differing units of the Task Force have now joined up. These include the ships 'Fearless' and 'Intrepid' together with 'Canberra' and 'Norland' which have over 4,000 troops on board. It is understood that this regrouping is taking place within the TEZ.
- 6. One Sea King helicopter from 'HMS Hermes' ditched in the sea earlier yesterday.

Emergency Unit

SECRET

FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION) : 0730 HRS, 19 MAY 1982

#### UN Developments

UKMIS New York elno.780 to CO (just eceived))

UKMIS New York telno.781 to CO (not yet rrived)) from UKMIS New York before the arrival of relevant telegrams. If the telegrams arrive in time they will be appended to this SITREP.]

1. Overnight developments in New York amount to an Argentine rejection of our Draft Agreement. Late yesterday New York time, the UN Secretary-General saw Sr Ros and then Sir Anthony Parsons. The Secretary-General told Sir Anthony that the Argentines had produced a ten-page paper in Spanish containing a mixture of requests for clarification of the British draft, restatements of known Argentine positions and some new elements. They had said that the paper did not represent their final position and that in their view negotiations should continue. Sir Anthony Parsons made it clear that this response would be regarded as unsatisfactory in London. He expects to receive a copy of the Argentine paper from the Secretary-General later.

[The following information is based on telephone calls

UKMIS New York el.769 to FCO f 18 May) 2. In the meantime, at a private meeting with Sir Anthony late on 17 May the Secretary-General had agreed not to put forward a paper of his own at the conclusion of negotiations; but seeing that he could not simply let the negotiations peter out without something coming from him, he would probably put forward some oral proposals which he knew would be unacceptable to both sides.

### UN Contingency Planning

(UKMIS New York telno.777 to FCO of 18 May)

3. Before his latest meeting with the Secretary-General Sir Anthony Parsons asked for urgent instructions on tactics in the Security Council if negotiations ended at midday New York time today.

- 4. He advised against having the Draft Interim Agreement formally circulated as a Security Council document, as it might then become a kind of benchmark for a solution which would not necessarily be appropriate once we had recovered the Islands. However, Sir Anthony would propose drawing on the document in the Security Council debate and making copies available on request to other delegations.
- 5. Sir Anthony foresees that following a breakdown in negotiations 'do-gooders' in the Security Council might propose a Resolution combining a call for implementation of Security Council Resolution 502 with a demand for an immediate cessation of hostilities and for negotiations; we would have to oppose such a Resolution because it would allow the Argentines to consolidate their position contrary to SCR 502 while tying our hands. To limit damage to our diplomatic position if forced to veto such a Resolution, Sir Anthony proposes that as soon as the Security Council's formal proceedings begin he should table

UKMIS New York el.778 to FCO f 18 May)

a provisional draft Resolution of our own calling for a ceasefire after confirmation of Argentine agreement to withdraw. Although it would be unlikely to be adopted, this draft might nevertheless make it easier for us to justify having to veto an unaccpetable Resolution.

#### Washington Developments

In meetings in Washington Sir Nicholas Henderson has been attempting to discourage any new US initiative immediately after the expiry of the 19 May deadline.

Washington of 18 May)

He told Stoessel (Under-Secretary for Political Affairs in the State Department) that we should emphatically not want el.1796 to FCO Haig to come forward with another proposal at this stage, although further US intervention might be appropriate after the development of the military situation. Stoessel said that the State Department had discouraged White House agitation for further last minute action by the President, but there was still a certain amount of illusion in the White House. Stoessel also confirmed Haig's assurance that the US would veto any Security Council Resolution not calling for withdrawal as well as ceasefire.

(Washington tel.1803 to FCO of 18 May) 8. In a later meeting with Judge Clark Sir Nicholas similarly discouraged any new US initiative at this stage and asked to be consulted if Mrs Jeane Kirkpatrick (who was said to be trying to reach Judge Clark urgently) should propose a Presidential move.

## European Community

UKREP Brussels els.1987 and . 988 to FCO of 18 May)

COREPER agreed the text of a Regulation putting into effect the agreement by EC Foreign Ministers on arrangements to extend the embargo on Argentine imports until 24 May. Italy, Ireland and Denmark made statements setting out the respective measures which they had agreed to take. The UK successfully resisted an attempt by Ireland and Italy to add to the preamble a statement that the measures were taken 'only' in support of a diplomatic solution.

FCO tel.143 o Athens and ther EC posts of 18 May)

10. In the meantime instructions have been sent to EC posts to lobby for the continuation of the embargo if necessary after 25 May.

/Comment

A UKMIS NY tel 780

#### Comment

- 11. The details of the Argentine reply have now been received (at 0745 hours). Although they contain some points of relative forward movement, new negative elements are introduced and they in no way represent the definitive response requested by the Secretary-General. They appear to confirm that the Argentine tactic is simply to prevaricate.
- 12. The Secretary-General has told Sir A Parsons that he would now have to report to the Security Council. He is aware of the timing considerations for us in the context of tomorrow's Parliamentary debate. But it is not yet certain whether he intends to make proposals of his own (orally, as he had previously suggested, or formally) to bridge the gap.
- 13. Sir A Parsons's recommendations (which will be in UKMIS New York telno 781) have not yet been received. But points requiring action are:
- (a) Sir A Parsons will need instructions for providing the Secretary-General with a formal reaction to the Argentine proposals. He will be seeing Sr Perez de Cuellar this morning, New York time;
- (b) On tactics in the Security Council, Sir A Parsons will need instructions on his recommendation that he should pre-empt unhelpful resolutions by tabling a provisional UK resolution linking the ceasefire with withdrawal. The timing of action in the Security Council is however not yet clear.

P.R. Fearn

Emergency Unit

19 May 1982

B UKMIS NY tel 781

- 14. Since this was typed, Sir A Parsons's further recommendations have been received. His instructions will also need to cover the following points:
- (a) In order to delay action in the Security Council, he proposes that he should give the Secretary-General a preliminary negative reaction this morning, New York time, with a formal reaction to follow later in the day. While this would not necessarily head off a formal Security meeting tonight, it would help to do so:

- (b) Sir A Parsons proposes a form of words for conveying our formal response to the Secretary-General for passing to Sr Ros:
  - (c) He will need guidance on a press line once our final reply has been delivered.
  - 15. A point to note is his proposal that some warm words of appreciation for the Secretary-General should be included in the debate in the House of Commons on 20 May.

P. Gran

SECRET '

TO FLASH FCO
TELEGRAM NUMBER 780 OF 19 MAY,
INFO IMMEDIATE WASHINGTON.



MY TEL NO 769.

FALKLANDS.

SUMMARY:

1. ROS (ARGENTINA) SAW THE SECRETARY-GENERAL LATE THIS EVENING (18 MAY). PEREZ DE CUELLAR SUMMONED ME IMMEDIATELY AFTERWARDS. HE SAID THAT ROS HAD GIVEN HIM A DOCUMENT CONTAINING ARGENTINE "IDEAS AND VIEWS" TO BRIDGE THE DIFFERENCES BETWEEN US. DE SOTO THEN DESCRIBED THESE. THEY WERE A MIXTURE OF REQUESTS FOR CLARIFICATION, RE-STATEMENT OF KNOWN ARGENTINE POSITIONS AND INTRODUCTION OF NEW POINTS. I UNDERTOOK TO REPORT THESE TO YOU BUT MADE IT CLEAR THAT THEY COULD ONLY BE INTERPRETED AS A REJECTION OF OUR DRAFT AGREEMENT. IT WAS LEFT THAT I WOULD LET PEREZ DE CUELLAR HAVE YOUR FORMAL REACTION THIS MORNING (19 MAY) AND THAT HE AND I WOULD THEN DISCUSS WHAT WOULD HAPPEN HERE FOLLOWING THE BREAKDOWN OF HIS INITIATIVE.

DETAIL.

- 2. AFTER REPEATED DELAYS ROS (ARGENTINA) SAW THE SECRETARY-GENERAL AT 190150Z TONIGHT. THE SECRETARY-GENERAL SUMMONED ME IMMEDIATELY AFTERWARDS AT 190315Z. PEREZ DE CUELLAR SAID THAT ROS HAD GIVEN HIM A LONG DOCUMENT IN SPANISH WHICH HE HAD DESCRIBED AS ARGENTINE 'IDEAS AND VIEWS IN ORDER TO BRIDGE THE DIFFERENCES BETWEEN THE PARTIES'. ROS HAD STRESSED THAT THESE WERE NOT ARGENTINA'S FINAL IDEAS, AND PURPORTED TO BELIEVE THAT OUR DRAFT AGREEMENT HAD NOT REPRESENTED OUR FINAL IDEAS. IN RESPONSE TO MY QUESTION, PEREZ DE CUELLAR CONFIRMED THAT HE HAD (HAD) TOLD ROS YESTERDAY THAT OUR DRAFT REPRESENTED OUR FINAL POSITION.
- 3. DE SOTO THEN SUMMARISED THE MAIN POINTS OF DIFFERENCE WHICH EMERGED FROM COMPARISON OF OUR DRAFT AGREEMENT AND THE ARGENTINE PAPER. (PEREZ DE CUELLAR DID NOT GIVE A COPY OF THE ARGENTINE PAPER TONIGHT BUT PROMISED ME A TRANSLATION TOMORROW). THEY WERE AS FOLLOWS.
- (A) THE ARGENTINES SAID THAT THEY WERE NOT CLEAR ABOUT WHAT WE MEANT BY "IN CONSULTATION WITH" IN ARTICLE 6(3). DID IT MEAN

WEART BY ''IN CONSULTATION WITH'' IN ARTICLE 6(3). DID IT MEAN THAT THE OPINION OF THE COUNCILS WOULD BE BINDING ON THE . ADMINISTRATORS OR NOT? IF THE ANSWER WAS NOT, THAT WOULD MAKE IT EASIER FOR THE ARGENTINES TO ACCEPT THE AGREEMENT. I REPLIED THAT THE ARGENTINES MUST KNOW PERFECTLY WELL WHAT WE MEANT: THEY WERE AS FAMILIAR AS I WAS WITH THE SYSTEM OF GOVERNMENT IN THE FALKLANDS. (B) THEY DID NOT LIKE THE REFERENCES TO ARTICLE 73 OF THE CHARTER. (C) THEY WERE PREPARED TO CHANGE THE DATE IN ARTICLE 8 TO 30 JUNE 1983 BUT REQUIRED A PROVISION THAT IF NO AGREEMENT HAD BEEN REACHED BY THEN THE GKONERAL ASSEMBLY WOULD INTERVENE IN ORDER TO ESTABLISH GUIDELINES WHICH WOULD BE FOLLOWED BY THE PARTIES THEREAFTER. THEY HEEDED A MECHANISM TO ENSURE THAT THE NEGOTIATIONS DID NOT CONTINUE FOR EVER. (D) THEY WANTED THE DEPENDENCIES INCLUDED. (E) THEY WANTED A REFERENCE TO THE RELEVANT GA RESOLUTIONS IN THE PREAMBLE IF POSSIBLE AND IN ANY CASE IN THE TERMS OF REFERENCE FOR THE NEGOTIATIONS (I.E. ARTICLE 8). (F) THEY SUGGESTED THAT IN THE NEGOTIATIONS THE SECRETARY-GENERAL SHOULD "RESORT TO" A FOUR STATE CONTACT GROUP, TWO STATES BEING NOMINATED BY EACH PARTY, WITH EACH PARTY HAVING THE RIGHT TO VETO ONE OF THE TWO STATES PROPOSED BY THE OTHER. (G) ON WITHDRAWAL, THEY PROPOSED A VERY GENERAL CLAUSE WHICH WOULD PROVIDE FOR COMPLETE WITHDRAWAL AND RETURN TO NORMAL AREAS OF OPERATIONS WITHIN 30 DAYS. (H) THERE WAS ALSO A POINT ABOUT COMMUNICATIONS AND ACCESS TO THE ISLANDS FOR THE NATIONALS OF BOTH PARTIES DURING THE INTERIM PERIOD.

IN RESPONSE TO MY QUESTION DE SOTO SAID THAT THE ARGENTINES HAD NOT SAID ANYTING ABOUT THE NEED FOR AN EFFECTIVE METHOD TO ENSURE NON-REINTRODUCTION OF FORCES (ARTICLE 6(4)).

4. I SAID THAT I WOULD TRANSMIT ALL THIS TO YOU AND LET PEREZ DE CUELLAR HAVE A FORMAL REACTION THIS MORNING (19 MAY). BUT I COULD SAY STRAIGHT AWAY THAT YOU WOULD CONSIDER THIS ARGENTINE RESPONSE AS COMPLETELY UNSATISFACTORY. IT DID NOT CONSTITUTE A CLEAR REPLY TO OUR DRAFT AGREEMENT. IT CONTAINED MANY POINTS WHICH THE ARGENTINES KNEW THAT WE COULD NOT ACCEPT. AND IT INTRODUCED NEW POINTS WHICH WERE EQUALLY UNACCEPTABLE. YOU WOULD ONLY BE ABLE TO DRAW THE CONCLUSION THAT THE ARGENTINES WERE PLAYING FOR TIME: THEIR RESPONSE WAS A RECIPE FOR DISAGREEMENT AND ENDLESSLY PROTRACTED NEGOTIATIONS. I HAD MADE CLEAR YESTERDAY (17 MAY) THAT ANY SUCH RESPONSE WOULD BE INTERPRETED BY HMG AS REJECTION OF OUR PROPOSALS.

5. PEREZ DE CUELLAR DID NOT DISGUISE HIS DEEP DISAPPOINTMENT AT THE

ARGENTINE REPLY. HE SAID THAT HE HAD TOLD ROS THAT HE WAS INTRODUCTED NEW ELEMENTS AND TRYING TO START A NEW NEGOTIATING PROCESS. HE HAD REPEATED THAT FOR THE UK AND FOR HIM HIMSELF, WEDNESDAY WAS THE DECISIVE DAY. ROS HAD MERELY REPEATED THAT THE ARGENTINE PAPER WAS NOT THEIR FINAL POSITION.

6. WE HAD A LITTLE DISCUSSION ABOUT WHAT WOULD HAPPEN NEXT. AT ONE POINT, I SAID THAT IT SEEMED TO ME THAT THE NATURE OF THE ARGENTINE RESPONSE WOULD MAKE IT VERY DIFFICULT FOR THE SECRETARY—GENERAL TO INTRODUCE PROPOSALS OF HIS OWN. THE GAP WAS TOO WIDE TO BRIDGE. PEREZ DE CUELLAR DID NOT REPLY. LATER IN THE CONVERSATION, I SUGGESTED THAT HE AND I SHOULD DISCUSS TOMORROW THE NEXT STEPS IN NEW YORK. HE SAID THAT HE WOULD HAVE TO REPORT TO THE SECURITY COUNCIL. HE COULD NOT "EXPOSE" EITHER SIDE: HE WOULD SIMPLY PRESENT THE FACTS. I SAID THAT I THOUGHT IT ALMOST CERTAIN, IN THE CONTEXT OF THURSDAY'S EMERGENCY DEBATE, THAT YOU WOULD PUBLISH OUR DRAFT INTERIM AGREEMENT. BUT WE WOULD NOT BREAK HIS CONFIDENCE.

7. PLEASE SEE MIFT FOR COMMENT AND RECOMMENDATIONS.

PARSONS

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SECRET

TELEGRAN NUMBER 781 OF 19 MAY,
INFO IMMEDIATE WASHINGTON.

9 - 3 8 7 6 5

11 9 MAY 1982 .

MIFT: FALKLANDS.

- 1. I REGARD THIS AS A CRUDE ATTEMPT BY THE ARGENTINES EITHER TO GAIN MORE TIME OR TO WRONG FOOT US OVER BREAKING OFF THE NEGOTIATIONS, OR BOTH. WE WILL NOT BE ABLE TO AVOID THE LATTER CHARGE THAT WE BROKE OFF THE NEGOTIATIONS. WE ARE IN A HURRY AND THE ARGENTINES ARE NOT: THEREFORE THEY CAN CONTINUE TO CLAIM THAT THEY WOULD HAVE BEEN READY TO GO ON IF WE HAD NOT INSISTED ON A DEADLINE. BUT THIS WILL BE A MINOR PROBLEM WHEN IT COMES TO THE OPEN PROCEEDINGS IN THE SECURITY COUNCIL.
- 2. PEREZ DE CUELLAR WAS OBVICUSLY EXTREMELY UPSET BY THE OUTCOME.
  TO HIS CREDIT, HE MADE NO ATTEMPT TO ARGUE THAT THE ARGENTINE
  RESPONSE COULD FORM A BASIS FOR NEGOTIATIONS. HE SAID BITTERLY
  THAT THIS FAILURE WOULD AFFECT HIS REPUTATION WHEN IT CAME TO
  LEALING WITH OTHER IMPORTANT PROBLEMS. I EXPRESSED MY SYMPATHY
  AND MY WARK REGARD FOR THE HERGIC EFFORTS HE HAD MADE (IT
  WOULD BE HELPFUL, WITH AN EYE TO THE FUTURE, IF YOU COULD SAY SOME
  NICE THINGS ABOUT HIM IN THE DEBATE IN THE HOUSE OF COMMONS ON 28
  MAY).
- 3. TWO PROBLEMS REMAINS
- (1) TIMING. I AM IN NO HURRY TO GET TO THE SECURITY COUNCIL, AND I UNDERSTAND FROM THE PUS THAT IT WOULD BE HELPFUL IF WE COULD TRY TO AVOID THE FIRST ROUND IN THE COUNCIL COMING TO A HEAD WHILE THE HOUSE OF COMMONS DEBATE IS GOING ON. I SUGGEST THEREFORE THAT I SHOULD GIVE PEREZ DE CUELLAR A PRELIMINARY NEGATIVE REACTION THIS MORNING (19 MAY) AND TELL HIM THAT I WILL BE GIVING HIM YOUR FORMAL REACTION WHEN YOU HAVE HAD AN OPPORTUNITY TO STUDY THE TEXT OF THE ARGENTINE PAPER I.E. PROBABLY IN THE AFTERNOON. HE WOULD THEN PRESUMABLY SEE ROS AND PASS OUR RESPONSE TO HIM BEFORE REPORTING TO THE PRESIDENT OF THE SECURITY COUNCIL. THERE IS A RISK THAT THE PRESIDENT WOULD CALL INFORMAL CONSULTATIONS THE SAME EVENING AND THAT THERE MIGHT BE AN IMMEDIATE MOVE TO A FORMAL COUNCIL MEETING. I CANNOT INSURE AGAINST THIS BUT, IF WE LAUNGH THE MAIN ACTION IN THE AFTERNOON, THERE IS AT LEAST A POSSIBILITY THAT WE MAY BE ABLE TO KEEP OUT OF THE COUNCIL UNTIL THURSDAY. (11) WHAT DO WE ASK PEREZ DE CUELLAR TO TELL ROS? WE MUST PUT IT IN

THE WAIN ACTION IN THE AFTERNOON, THERE IS AT LEAST A POSSIBILITY
THAT WE MAY BE ABLE TO KEEP OUT OF THE COUNCIL UNTIL THURSDAY.

(11) WHAT DO WE ASK PEREZ DE CUELLAR TO TELL ROS? WE MUST PUT IT IN
SUCH A WAY AS TO PREVENT FURTHER PROCRASTINATION ON THE PART OF
THE ARGENTINES, EVEN THOUGH THIS WILL LEAVE US IN THE POSITION OF
HAVING TERMINATED THE NEGOTIATIONS. I SUGGEST THAT I SHOULD SAY
SOMETHING ON THE FOLLOWING LINES:-

"FLEASE TELL ROS THAT I TRANSMITTED TO YOU ON 17 MAY THE TEXT OF THE FINAL BRITISH POSITION WITH A DEADLINE FOR AN ARGENTINE RESPONSE OF MIDDAY NEW YORK TIME ON 19 MAY. IN PRESENTING YOU WITH THE TEXT I MADE CLEAR THAT WE WOULD REGARD AN EQUIVOCAL RESPONSE FROM ARGENTINA AS TANTAMOUNT TO REJECTION OF OUR TEXT. HMG REGARD THE ARGENTINE RESPONSE AS BEING EXACTLY THAT. WE THEREFORE HAVE NO CHOICE BUT TO REGARD THIS ROUND OF NEGOTIATIONS AS HAVING ENDED".

4. FINALLY, WHAT DO I SAY TO THE PRESS WHO WILL BE BESIEGING ME THROUGHOUT WEDNESDAY? FROM THE MOMENT THAT I GIVE PEREZ DE CUELLAR CUR FINAL REPLY, I CAN HARDLY SAY THAT THE NEGOTIATIONS ARE STILL CONTINUING. THROUGH THE MORNING, IHUQ

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4. FINALLY, WHAT DO I SAY TO THE PRESS WHO WILL BE BESIEGING ME THROUGHOUT WEDNESDAY? FROM THE MOMENT THAT I GIVE PEREZ DE CUELLAR OUR FINAL REPLY, I CAN HARDLY SAY THAT THE NEGOTIATIONS ARE STILL CONTINUING. THROUGH THE MORNING, I CAN HOLD THE LINE THAT I HAVE TRANSMITTED THE LATEST ARGENTINE POSITION TO YOU AND AM AWAITING YOUR REACTION. THEREAFTER, I SHALL HAVE TO BE GUIDED BY YOU IN THE LIGHT OF WHATEVER NEWS DEPARTMENT HAVE SAID AT THE MIDDAY PRESS CONFERENCE AND THE LINE MINISTERS INTEND TO TAKE IN THE HOUSE ON 28 MAY.

PARSONS

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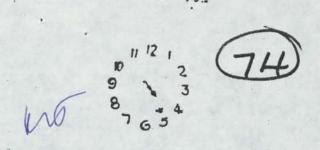
SECRET

FM UKMIS NEW YORK 181420Z MAY 82

LEGRAM NUMBER 769 OF 18 MAY 1982

THEO FLASH WASHINGTON.

MY TELEGRAMS NO 765 AND 766: FALKLANDS.



[18 MAY "

- 1. I WALKED ROUND TO PEREZ DE CUELLAR'S HOUSE LAST NIGHT. THIS IS THE ONLY WAY NOW IN WHICH I CAN SEE HIM PRIVATELY WITHOUT THE PRESS KNOWING.
- 2. FIRST I ASKED HOW HE HAD GOT ON WITH ROS. HE TOLD ME THAT HE HAD EXPLAINED OUR POSITION AT A PLENARY MEETING STARTING SHORTLY AFTER 1930Z ON 17 MAY. HE HAD NOT HANDED OVER OUR PAPER FORMALLY TO ROS AT THE PLENARY BECAUSE HE WANTED TO SEE HIS PRIVATE REACTION: ROS'S TEAM HAD INCLUDED A NEW ARGENTINE SENIOR OFFICIAL FROM BUENOS AIRES WHOM PEREZ DE CUELLAR DID NOT KNOW. THERE HAD BEEN LITTLE OR NO DISCUSSION AT THE PLENARY.
- 3. PEREZ DE CUELLAR HAD THEN FORMALLY HANDED ROS OUR PAPER IN PRIVATE SESSION (YOUR TELNO 423) WITH THE REQUEST THAT HE TRANSMIT IT TO HIS GOVERNMENT. HE HAD TOLD ROS THAT HE, PEREZ DE CUELLAR, HAD GIVEN ME A DEADLINE FOR THE COMPLETION OF NEGOTIATIONS OF MIDDAY WEDNESDAY NEW YORK TIME. HE WAS GIVING ROS THE SAME DEADLINE. HE HAD URGED ROS TO REPLY ON TUESDAY IF POSSIBLE EVEN IF THIS MEANT HIS RESPONSE COMING IN THE MIDDLE OF THE NIGHT.
- 4. ROS HAD READ THE PAPER CAREFULLY AND HAD UNDERTAKEN TO TRANSMIT IT TO HIS GOVERNMENT. HE HAD LOOKED 'DISAPPOINTED'. HIS ONLY COMMENTS OF DETAIL WERE THAT HE SAW THAT WE WANTED THE AMERICANS IN THE ACT (FROM THE PLENARY MEETING) AND THAT WE HAD GONE BACK FROM 200 TO 150 MILES FOR THE WITHDRAWAL. I COMMENTED THAT THIS HAD FOLLOWED AN ARGENTINE PROPOSAL.
- 5. PEREZ DE CUELLAR SAID THAT HIS INSTINCT WAS THAT ROS WOULD COME BACK WITH ORAL COMMENTS: THE JUNTA WOULD NOT DARE SET OUT THEIR OWN POSITION IN WRITING FOR FEAR OF DOMESTIC REACTION.

  PEREZ DE CUELLAR STILL FELT THAT ROS WANTED AN AGREEMENT: HENCE HIS REACTION OF DISAPPOINTMENT RATHER THAN ANGER. PEREZ DE CUELLAR WAS THINKING (HE HAD NOT DECIDED) OF TELEPHONING HAIG TO SEE IF HAIG COULD BRING LAST MINUTE PRESSURE TO BEAR ON THE ARGENTINES TO ACCEPT OUR PROPOSALS AS THEY WERE. HE WOULD NOT OF COURSE COMMUNICATE WITH ANYONE ELSE IN THE US ADMINISTRATION FOR REASONS WITH WHICH WE WERE BOTH FAMILIAR.

6. I HAD ASKED FOR THIS PRIVATE MEETING AND WENT ON TO EXPLAIN WHY. I SAID THAT I HAD REALISED FROM AHMED'S ATTITUDE THAT MORNING THAT OUR TACTICS HAD MADE IT DIFFICULT FOR THE ECRETARY-GENERAL TO END THE AFFAIR BY PRODUCING HIS OWN PAPER (PEREZ DE CUELLAR SAID THAT I SHOULD NOT BOTHER ABOUT AHMED'S MANNER: HE HAD BEEN TRAINED BY WALDHEIM TO BARK EVEN WHEN THE SECRETARY-GENERAL WAS NOT IN DANGER). HE ADMITTED THAT THIS WAS A PROBLEM. HE FELT THAT IT WOULD BE INADEQUATE FOR HIM SIMPLY TO END UP HAVING TRANSMITTED PROPOSALS FROM ONE SIDE TO ANOTHER WITHOUT DEMONSTRATING THAT HE HAD TAKEN ANY INITIATIVE HIMSELF.

7. I SAID THAT I WOULD SPEAK VERY BLUNTLY. WITH HIS KNOWLEDGE OF THE STATUS AND CONDITIONS OF OUR REPLY, HE WOULD KNOW THAT ANY 'MEDIAN' PAPER WOULD BE UNACCEPTABLE TO US. IF EVERYTHING BECAME PUBLIC - I HAD ALREADY TOLD HIM THAT WE WOULD HAVE TO PUBLISH OUR PAPER - TWO THINGS WOULD HAPPEN:

(1) I WOULD HAVE TO DISMEMBER HIS PAPER IN PUBLIC:

THEREFORE TO BE AVOIDED IF AT ALL POSSIBLE.

BELIEVE THAT HE HAD PUT DOWN HIS PAPER IN ORDER EITHER TO WRONG-FOOT US OR TO COVER HIMSELF AGAINST CRITICISM.

PERSONALLY MY ONLY RESERVATION ABOUT (I) ABOVE WAS THAT, FOR REASONS OF OUR FRIENDSHIP, I DID NOT WANT TO HAVE TO CRITICISE HIM IN PUBLIC. THE POLITICAL EMBARRASSMENT TO ME WAS SECONDARY.

I WOULD HAVE ENOUGH ON MY PLATE IN THE SECURITY COUNCIL FOR THIS TO BE A COMPARATIVELY MINOR ELEMENT. I WAS MUCH MORE WORRIED ABOUT (II) ABOVE. I KNEW THAT YOU AND THE PRIME MINISTER HAD A HIGH OPINION OF HIM AND I FELT SURE THAT WE WOULD NEED HIM AGAIN, NOT ONLY OVER THE FALKLANDS BUT OVER OTHER MATTERS. A

CRISIS OF CONFIDENCE BETWEEN HMG AND THE SECRETARY-GENERAL WAS

8. PEREZ DE CUELLAR SAID THAT HE UNDERSTOOD EXACTLY WHAT I MEANT AND APPRECIATED MY SPEAKING SO FRANKLY. HE WOULD NOT PUT FORWARD A PAPER OF HIS OWN. WHAT HE WAS NOW THINKING OF DOING, IN THE LIGHT OF MY REMARKS, WAS TO PUT FORWARD SOME ORAL PROPOSALS WHICH HE KNEW WOULD BE UNACCEPTABLE TO BOTH (UNDERLINED) SIDES. HE HAD NOT DECIDED ON THIS, BUT HE SIMPLY COULD NOT LET THE NEGOTIATIONS PETER OUT WITHOUT ANYTHING COMING FROM HIM.

9. FOR THE MOMENT WE LEFT IT AT THAT. I WILL BE PURSUING THIS WITH URQUHART (TO WHOM I HAVE ALREADY SPOKEN) IN STRICT PRIVACY TODAY. URQUHART HAD SUGGESTED TO ME THAT THE SECRETARY-GENERAL MIGHT FINISH UP WITH AN EMOTIONAL APPEAL. I TOLD HIM THAT, IF THIS AMOUNTED TO AN APPEAL TO BOTH SIDES TO CEASE HOSTILITIES, IT WOULD RECEIVE A FIRM AND IMMEDIATE RESPONSE FROM ME. URQUHART TOOK THE POINT, AND WE AGREED TO DISCUSS THE BEST WAY OUT OF THIS DIFFICULT DILEMMA TODAY (18 MAY).

#### PARSONS

Y WICH ONLY TON CHIEF IN YOUR A REFE SOLD DALL OF MICH MILE AS PROFIT ( ) CONT'S CONTACT AND AND THE THE WORLD HAT THE LIBE TO STANDALINERA FIRE TRENCHI'S AND RESERVED ABOUT I TOTAL KAME TURBE ON HE BEAUTIES IN THE STORE OF SELECTION FOR RIN I STEFFE LAS SUFFICIAL FOR SUFFERE SERVICES IN A REPORT OF SERVICES. LINCONTA LA LESSE AL LESSE AL LES COLL (1) TO LA LESSE AND AGE of the edge of the in contract the vertical THE RESERVE OF THE REPORT OF THE PARTY OF TH for an energy to the street that the street is a second to the second that the second 15 1 1 SPT and 12 by the second of the table of the second THE STORY OF THE PROPERTY OF THE CANADA STATE OF THE PROPERTY. Contained to the the will are the west of the second THE REPORT OF THE PROPERTY OF SECTION SECTIONS OF THE PROPERTY OF THE PARTY. LANGE OF THE THE THE WALL AND A THE STREET OF THE STREET CORE . 19.51

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FROM UKHIS NEW YORK 160008Z MAY 32 TO PUBLISHED F C O TELEGRAM NUMBER 777 DATED 18 MAY 82 UFO IMPORTATE WASHINGTON

FALKLAND ISLANDS: CONTINGENCY FLANNING AT THE UN

1. I HAVE BEEN CONSIDERING THE ACTION WE SHOULD TAKE, WITH INEVITABLE SECURITY COUNCIL ACTION IN MIND, IF THE NEGOTIATIONS END AT MIDDAY NEW YORK TIME ON WEDNESDAY.

RESERVED AND STREET STREET

- 2. HY FIRST THOUGHT HAD DEER THAT, AS SOON AS THE TEXT OF OUR DRAFT HAS BEEN PUBLISHED IN LONDON (I UNDERSTAND, ON 20 MAY), I SHOULD CONVEY IT FORMALLY TO THE PRESIDENT OF THE SECURITY COUNCIL AND ASK HIM TO HAVE IT CIRCULATED AS A DOCUMENT OF THE COUNCIL, THE OBJECT BEING TO DEMONSTRATE TO THE COUNCIL HOW FAR WE HAD BEEN PREPARED TO GO IN ORDER TO ACHIEVE A NEGOTIATED SETTLEMENT. ON REFLECTION, HOWEVER, I SEE DANGERS IN THIS COURSE. TO GIVE OUR DRAFT FORMAL SECURITY COUNCIL STATUS WOULD CREATE THE RISK THAT IT WOULD BECOME A KIND OF BENCHMARK FOR A SOLUTION, JUST AS SCR 242 HAS FOR THE MIDDLE EAST AND SCR 435 FOR MANTETA. IT IS EVEN CONCETVABLE THAT SOMEONE HIGHT PROPOSE THAT THE COUNCIL SHOULD FORMALLY ENDORSE OUR PROPOSALS AS THE . EASIS FOR A SETTLEMENT. THIS WOULD BE THE LAST THING WE WOULD MANT IF, MEANWHILE, WE HAD SUCCESFULLY RECOVERED THE ISLANDS: THAT YOULD CREATE A NEW SITUATION IN WHICH, I IMAGINE, YOUR IDEAS FOR A NEGOTIATED SETTLEMENT WOULD BE VERY DIFFERENT FROM THOSE IN- THE DRAFT INTER IM AGREEMENT. HY CONSIDERED ADVICE THEREFORE IS THAT WE SHOULD NOT FORMALLY CIRCULATE THE DRAFT AGREEMENT HERE, THOUGH I WOULD DRAW ON IT IN THE DEBATE IN THE SECURITY COUNCIL AND MAKE COPIES AVAILABLE ON REQUEST TO OTHER DELEGATIONS.
- RETAIN THE DIPLOMATIC INITIATIVE IN THE SECURITY COUNCIL AFTER A BREAKDOWN OF NEGOTIATIONS. WHEN PEREZ DE CUELLAR DECIDES THAT THERE IS NO FURTHER HOPE FOR HIS INITIATIVE, HE WILL SO REPORT TO THE SECURITY COUNCIL, INITIALLY IN INFORMAL CONSULTATIONS (PERHAPS ON MEDNESDAY AFTERNOON). DO-GOODERS HERE, LED BY THE PRESIDENT OF THE SECURITY COUNCIL, DOBB (IRELAND) AND HISIBORI (JAPAN) AID ABETTED BY THE BUSSIANS AND DE PINIES (SPAIN), WILL TRY TO FILL THE RESULTING DIPLOMATIC MACHINERY A FORMAL MEETING OF

OF THE SECURITY COUNCIL, DOER (TRELAND) AND MISTROPI (JAPA')
A ID APETTED BY THE RUSSIANS AND DE FINIES (SPAIN), WILL TRY TO
FILL THE RESULTING DIPLOMATIC VACUUM BY A FORMAL MEETING OF
THE COUNCIL (PROBABLY ON THURSDAY) AT WHICH THEY ARE LIKELY TO
MIDROSE A DRAFT RESOLUTION ON "MOTHERHOOD!" LINES, GOMBINING A
CALL FOR IMPLEMENTATION OF SOR 500 WITH A DEMAND FOR AN IMPERIATE
CESSATION OF MOSTILITIES AND OPENING OF MEGOTIATIONS. DOER HAS
PROBABLY ALREADY PREPARED SUCH A TEXT. WE MAY BE FAIRLY ISOLATED
IN OPPOSING IT AND WE WOULD HAVE TO TRY TO LIMIT AS FAR AS
POSSIBLE THE DAMAGE TO OUR DIPLOMATIC POSITION FROM VETOINS AN
OSTENSIBLY "MOTHERHOOD" DRAFT. I THINK THAT THE BEST WAY OF
DOING THIS WILL BE TO DEMONSTRATE THAT WHAT APPEARS TO BE
"MOTHERHOOD" IS IN FACT A WOLF IN SHEEP'S CLOTHING, IN THAT
IT WOULD ALLOW THE ARGENTINES TO CONSOLIDATE THEIR HOLD ON THE
ISLANDS CONTRARY TO SCR 502, WHILE TYING OUR HANDS.

- 4. I WOULD PROPOSE TO DEMONSTRATE THIS IN THE FOLLOWING WAY.
  AS SOON AS THE COUNCIL'S FORMAL PROCEEDINGS BEGIN, I WOULD TABLE
  IN PROVISIONAL FORM ("IN BLUE") THE DRAFT RESOLUTION IN MY
  IMPEDIATELY FOLLOWING TELEGRAM BUT NOT ASK FOR AN IMMEDIATE
  VOTE ON IT. THE DRAFT SETS OUT IN RESOLUTION FORM OUR BASIC
  FOSITION ON A CEASEFIRE, NAMELY THAT IT WOULD NOT BE ACCEPTABLE
  WITHOUT A CONCONITANT ARGENTINE WITHDRAWAL.
- FEETING WOULD ENABLE HE TO STEAL A MARCH ON DORR, WHOSE NORMAL PRACTICE IS TO PRE-NEGOTIATE HIS DRAFTS BEFORE FORMALLY TIDLING THEM. IN THIS CASE, HE WOULD BE CONCERNED TO AVOID A HRITISH VETO AND WOULD PROBABLY GET BOGGED DOWN IN CONSULTATIONS TO TRY TO DEVISE A DRAFT IN WHICH WE COULD AT LEAST ACQUIESCE. IF I TABLED FIRST, MY DRAFT, EVEN THOUGH TAPLED "IN BLUE", WOULD HAVE PRIORITY OVER HIS WHEN IT EVENTUALLY CAME TO A VOTE. AT THAT STAGE FOUR THINGS MIGHT HAPPEN:
- (A) HE AND HIS SUPPORTERS MIGHT DEFEAT US ON A PROCEDURAL MOTION THAT THEIR DRAFT SHOULD HAVE PRIORITY:
- (B) OUR DRAFT MIGHT BE VOTED ON BUT FAIL FOR WANT OF NINE VOTES:
- (C) OUR DRAFT MIGHT GET NINE VOTES BUT BE VETOED BY THE RUSSIANS:
- (D) OUR DRAFT MIGHT SE ADOFTED.

ARGENTINES HAVE COMMITTED SOME ACT WHICH AROUSES WIDE INTERNATIONAL INDIGNATION. I AM FAIRLY CERTAIN THAT OUR DRAFT MOULD FAIL FOR ONE OF THE THREE REAGONS (A) - (C), PROPARLY (B). BUT WHATEVER MAPPEMED, OUR VETO OF DORR'S 'MOTHERHOOD'

(a) OUT DEART "LOST DE VOTED ON BUT HAIL FOR MAGE UP VINE WOLLS:

(b) OUT ONAFT JOHT GET MINE MOTES FUT DE VETOED BY THE RUSCIANS:

(c) OUT DRAFT MIGHT SE ADOPTED.

1 REGARD (D) AS TOO WUCH TO HOPE FOR UNLESS MEANWHILE THE

ARGENTINES HAVE COMMITTED SO TE ACT MAICH ARGUSES MIDE
INTERNATIONAL INDIGNATION. I AM FAIRLY CERTAIN THAT OUR DRAFT
MOULD FAIL FOR ONE OF THE THREE REASONS (A) - (C), PROPABLY
(B). BUT WHATEVER HAPPENED, OUR VETO OF DORR'S 'MOTHERHOOD''
DNAFT WOULD BE MUCH EASIER TO JUSTIFY IF WE HAD FIRST TRIED
TO GET THE COUNCIL TO ADOPT A DEMONSTRABLY REASONABLE PROPOSAL
OF OUR CWN WHICH FOLLOWED DIRECTLY FROM SCR 502.

- 5. THE OBVIOUS GAP IN A DRAFT RESOLUTION OF THESE LINES IS THAT IT SAYS NOTHING ABOUT INTERIM ARRANGEMENTS AND COULD THEREFORE BE HELD TO BE INCONSISTENT WITH THE TERMS OF OUR DRAFT INTERIM AGREEMENT, THE DETAILS OF WHICH WILL BE AVAILABLE IN THE SECURITY COUNCIL EVEN THOUGH IT HAD NOT BEEN CIRCULATED FORMALLY. I WOULD PROPOSE TO SAY TO ANYONE WHO MADE THIS POINT THAT THEY WERE NOT COMPARING LINE WITH LIKE. THE INTERIM AGREEMENT HAD DEEN AN ATTEMPT BY US, IS GOOD FAITH, TO PRODUCE AN INTERIM SETTLEMENT WHICH WOULD REMOVE THE MEED FOR US TO GET THE ARGENTINES OFF THE ISLANDS BY FORCE AS WE ARE ENTITLED TO DO UNDER ARTICLE 51 OF THE CHARTER. THAT EFFORT HAD BEEN REBUFFED BY THE ARGENTIMES. MON MEMBERS OF THE COUNCIL WERE PRESSING FOR AN IMMEDIATE CEASEFIRE. WE SHARED THEIR DESIRE THAT THERE SHOULD BE NO FURTHER CASUALTIES. BUT A CEASEFIRE BY ITSELF MOULD SIMPLY HELP THE ARGENTINES. THE PURPOSE OF MY DRAFT WAS TO ILLUSTRATE THE ONLY CONDITIONS OF WHICH WE COULD ACCEPT A CEASEFIRE.
- 7. I HAVE CONSIDERED THE IDEA OF PROVIDING FOR UN SUPERVISION OF ARGENTINE WITHDRAWAL, BUT CONCLUDE THAT WHILST ATTRACTIVE IN UN TERMS IT COULD BE AN UNNECESSARY COMPLICATION, ESPECIALLY ONCE HM FORCES HAVE LANDED.
- E. I SHOULD BE GRATEFUL TO KHOW AS SOON AS POSSIBLE WHETHER YOU SEE ANY PROPLEMS WITH THE DRAFT RESOLUTION IN MY INMEDIATELY FOLLOWING TELEGRAM, AND, IF NOT, WHETHER I MAY HAVE DISCRETION TO TABLE IT WHEN THE MOMENT SEEMS RIGHT. IF THE PLOY IS TO SUCCEED, IT IS OF COURSE ESSENTIAL THAT NO MENTION SHOULD DE MADE OF IT IN ADVANCE TO ANYONE, NOT EVEN THE AMERICANS OF OUR OLD COMMONWEALTH AND EC PARTMERS.
- TOTAL FOR (PEDMESDAY) ON THURSDAY. THE TIPINGS I HAVE AUTICIPATED

- E. I SHOULD BE CRATEFUL TO KNOW AS SOON AS POSSIBLE WHETHER YOU SEE ANY PROPLEMS WITH THE DRAFT RESOLUTION IN MY INTEDIATELY FOLLOWING TELEGRAM, AND, IF NOT, WHETHER I HAY HAVE DISCRETION TO TABLE IT WHEN THE HOMENT SEED FIGHT. IF THE PLOY IS TO SUCCEED, IT IS OF COURSE ESSENTIAL THAT NO MENTION SHOULD BE MADE OF IT IN ADVANCE TO ANYONE, NOT EVEN THE AMERICANS OF OUR OLD COMMONWEALTH AND EC PARTMERS.
- 9. IISHOULD ADD THAT THE PICTURE MAY HAVE CHANGED RAPIDLY BY TOMORROW (WEDNESDAY) OR THURSDAY. THE TIMINGS I HAVE ANTICIPATED FOR THE COUNCIL MEETINGS, IMPORMAL AND FORMAL, MAY SLIP. BUT I STILL NEED URGENT DISCRETION FOR MY TACTICS IF I JUDGE THEM TO BE APPROPRIATE.

LIPLANT RASE TOTAL

PARSONS

NNNN

SECRET

FROM UKMIS NEW YORK 182011Z MAY 82

IMMEDIATE F C O

TELEGRAM NUMBER 778 DATED 18 MAY 82

INFO IMMEDIATE WASHINGTON

18 MAY .... (141)

MIPT.

FOLLOWING IS TEXT OF DRAFT RESOLUTION.

3 9 3 3 A

BEGINS

THE SECURITY COUNCIL.

REAFFIRMING ITS RESOLUTION 502(1982), ADOPTED ON 3 APRIL 1982,

GRAVELY CONCERNED AT THE BREACH OF THE PEACE IN THE REGION OF THE FALKLAND ISLANDS (ISLAS MALVINAS),

DEEPLY DISTRESSED AT THE LOSS OF LIFE WHICH HAS OCCURRED,
ACTING UNDER CHAPTER VII OF THE CHARTER.

- 1. REITERATES ITS DEMAND FOR THE IMMEDIATE WITHDRAWAL OF ALL
  ARGENTINE FORCES FROM THE FALKLAND ISLANDS (ISLAS MALVINAS)
  AND FOR AN IMMEDIATE CESSATION OF HOSTILITIES.
  - 2. CALLS UPON THE PARTIES, AS A FIRST STEP, TO CEASE ALL FIRING AND OTHER HOSTILE ACTIONS AT A TIME TO BE SPECIFIED BY THE SECRETARY-GENERAL AS SOON AS HE RECEIVES WRITTEN CONFIRMATION THAT ARGENTINA AGREES TO WITHDRAW ALL ITS FORCES IMMEDIATELY, HAS COMMENCED WITHDRAWAL AND UNDERTAKES TO COMPLETE WITHDRAWAL IN (14) DAYS, IN COMPLIANCE WITH OPERATIVE PARAGRAPH 1 ABOVE.
  - 3. CALLS ONCE AGAIN ON ARGENTINA AND THE UNITED KINGDOM TO CONTINUE TO SEEK A DIPLOMATIC SOLUTION TO THEIR DIFFERENCES. ENDS

PARSONS

7 6 5 9

SECRET

FM WASHINGTON 181728Z MAY 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 1796 OF 18 MAY
INFO IMMEDIATE UKMIS NEW YORK.

#### FALKLANDS

- 1. I SAW STOESSEL TODAY. HE HAD ALREADY RECEIVED THE TEXT OF OUR PAPER BUT HAD HAD VERY LITTLE COMMENT ABOUT IT FROM HAIG WHO RETURNS HERE THIS EVENING.
- 2. WHAT HAIG HAD REPORTED SUGGESTED THAT HE DID NOT THINK THERE WAS MUCH CHANCE OF THE ARGENTINES AGREEING. STOESSEL SEEMED TO THINK THAT THE RESULT OF THE WEEKEND MEETINGS IN THE UK HAD BEEN TO PUT TOGETHER A PRETTY TOUGH TEXT.
- 3. I TOOK HIM THROUGH THE LONG PROCESS OF NEGOTIATION AND THE FLEXIBILITY WE HAD SHOWN, ON MUCH THE SAME LINES THAT PARSONS TOOK WITH THE SECRETARY GENERAL, AS REPORTED IN UKMIS TELEGRAM NO 765. I ALSO TOLD HIM THAT ALTHOUGH PEREZ DE CUELLAR HAD NOT PASSED JUDGMENT ON OUR PAPER HE HAD WONDERED, THINKING ALOUD, WHETHER HE COULD NOT PRESENT IT AS HIS OWN DRAFT TO BUENOS AIRES. THIS SHOWED THAT HIS INITIAL REACTION WAS TO REGARD OUR PAPER AS VERY REASONABLE.
- 4. STOESSEL THEN STARTED SPECULATING ABOUT WHAT MIGHT HAPPEN WHEN THE DEADLINE OF MID-DAY ON 19 MAY EXPIRED. HE SAID THAT HE THOUGHT THAT THE U S GOVERNMENT MIGHT WANT TO BE ACTIVE AGAIN AND ASKED ME. WHETHER WE WOULD WANT HAIG AT THAT STAGE TO COME FORWARD WITH ANOTHER PROPOSAL FOR NEGOTIATION, I SAID, MOST EMPHATICALLY NOT. WE HAD BEEN NEGOTIATING FOR 6 AND A HALF WEEKS NOW AND IT WAS EVIDENT THAT THE ARGENTINES WERE NOT PREPARED TO TALK ON ANY BASIS THAT WAS ACCEPTABLE TO US. STOESSEL INTERJECTED THAT HE THOUGHT THE MILITARY LEADERS IN BUENOS AIRES WERE NOW IN A SITUATION IN WHICH THEY COULD ACCEPT NOTHING, I REITERATED THAT THERE WAS NOW A CONSIDERABLE TIME PRESSURE AND THAT WE COULD NOT BE KEPT HANGING ABOUT WHILE ARGENTINA PROCRASTINATED YET FURTHER. THE MOMENT FOR FURTHER U S INTERVENTION MIGHT COME AFTER THE DEVELOPMENT OF THE MILITARY SITUATION. AT SOME STAGE THERE WOULD HAVE TO BE SOME NEGOTIATION DEALING WITH EITHER THE SURRENDER OF THE ARGENTINE FORCES OR THEIR WITHDRAWAL FROM THE ISLANDS.

5. STOESSEL ACCEPTED THIS. HE WILL TALK ACCORDINGLY TO HAIG WHEN HE GETS BACK. STOESSEL ADDED THAT OVER THIS LAST WEEKEND THERE HAD BEEN SOME AGITATION IN THE WHITE HOUSE IN FAVOUR OF FURTHER LAST MINUTE ACTIVITY BY THE PRESIDENT, IE TELEPHONE CALLS OR MESSAGES. THE STATE DEPARTMENT HAD DISCOURAGED THESE SUCCESSFULLY, REMINDING THE WHITE HOUSE THAT THE PRESIDENT'S TALK WITH THE PRIME MINISTER OF 13 MAY, BASED AS IT WAS ON THE MISAPPREHENSION THAT THE ARGENTINES HAD BEEN VERY FORTHCOMING AND THAT AN AGREEMENT COULD ONLY BE REACHED IF THE BRITISH MOVED A LITTLE WAY, HAD NOT BEEN A GREAT SUCCESS. I SAID THAT I WAS PLANNING TO SEE CLARK AS SOON AS POSSIBLE AND STOESSEL ADVISED ME TO DO THIS. HE THOUGHT THERE WAS STILL A CERTAIN AMOUNT OF ILLUSION IN THE WHITE HOUSE. I TOOK THE OPPORTUNITY OF REFERRING TO THE PROXIMITY OF THE PRESIDENT'S VISIT TO LONDON. HIS REMARKS BETWEEN NOW AND THEN RELATING TO THE FALKLAND I SLANDS WOULD BE NOTED WITH PARTICULAR ATTENTION IN THE UK. STOESSEL SAID THAT THESE OFF-THE-CUFF OBSERVATIONS WERE A REAL DANGER AND HE ADVISED ME TO WARN CLARK ABOUT THEM WHICH I WILL CERTAINLY DO.

6. STOESSEL CONFIRMED TO ME THE ASSURANCE THAT HAIG GAVE YOU IN HIS MESSAGE OF 30 APRIL THAT THE U S WILL VETO ANY SECURITY COUNCIL RESOLUTION THAT DOES NOT CALL FOR WITHDRAWAL AS WELL AS A CEASE FIRE.

the production

HENDERSON

NNNN

WONFO 033 48

COFCO

GR 450
SECRET

PM WASHINGTON 182050Z MAY 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 1803 OF 18 MAY 1982
INFO IMMEDIATE UKMIS NEW YORK

MY TELEGRAM NO 1796: FALKLANDS

- 1. I SAW JUDGE CLARK THIS AFTERNOON AND TOLD HIM WHERE WE STOOD ON THE NEGOTIATIONS. HE SAID THAT MRS KIRKPATRICK WAS TRYING TO REACH HIM URGENTLY. HE UNDERSTOOD SHE HAD SOME SUGGESTION TO MAKE AND IMPLIED THAT IT MIGHT BE FOR SOME LAST-MINUTE NEGOTIATING INITIATIVE BY THE PRESIDENT.
- 2. I TOLD CLARK THAT WE HAD GONE DOWN THE NEGOTIATING ROAD FOR 6 AND A HALF WEEKS AND IT WAS EVIDENT THAT THE ARGENTINE LEADERS EITHER WOULD OR COULD NOT ACCEPT A REASONABLE SETTLEMENT. WE WERE NOW MOVING ON FROM THAT AND THERE WOULD BE NO POINT IN A US NEGOTIATING INITIATIVE AT THIS STAGE. LATER, AFTER THE DEVELOPMENT OF THE MILITARY SITUATION SOME US ROLE MIGHT BE USEFUL. BUT WE COULD NOT JUDGE THAT NOW. MEANWHILE, IF JEANE KIRKPATRICK PUT FORWARD TO HIM SOME PROPOSAL FOR A PRESIDENTIAL MOVE NOW, OR A MOVE BY THE US GOVERNMENT IN SOME WAY, I ASKED HIM TO BE SURE TO GET IN TOUCH WITH ME BEFORE DOING ANYTHING. MRS KIRKPATRICK'S INTERVENTION LAST WEEK, WHEN SHE HAD SUGGESTED TO THE WHITE HOUSE THAT THE ARGENTINES HAD MADE A MAJOR CONCESSION AND IT NOW ONLY DEPENDED ON A SMALL MOVE BY THE ERITISH, HAD LED THE PRESIDENT TO MISREAD THE SITUATION.

3. CLARK SAID THAT HAIG DID NOT LIKE MRS KIRPATRICK'S INVOLVEMENT, BUT NEVERTHELESS AS SHE WAS THE US AMBASSADOR TO THE UN, SHE HAD TO BE LISTENED TO. I REPEATED THE INAPPROPRIATENESS OF YET A FURTHER US NEGOTIATING INITIATIVE AT THE PRESENT JUNCTURE AND CLARK SAID THAT HE ACCEPTED THAT.

4. WE THEN DISCUSSED THE MILITARY SITUATION AND, IN THE LIGHT OF THE BRIEFING I HAD HAD IN LONDON, I WAS ABLE TO REASSURE CLARK ON THE SUBJECTS ABOUT WHICH HE HAD EXPRESSED SOME DOUBTS WHEN I HAD SEEN HIM LAST WEEK. HE SAID THAT HE HAD NO DOUBT ABOUT OUR MILITARY SUPERIORITY OR ABOUT OUR WILL. THE PROBLEM WAS ONE OF CASUALTIES, TO WHICH I SAID THAT FEELING IN BRITAIN HAD IF ANYTHING BECOME FIRMER, RATHER THAN THE OPPOSITE.

5. AFTER WE HAD HAD SOME DISCUSSION ABOUT THE POSSIBILITY OF A RESORT BY SOME COUNTRIES TO THE SECURITY COUNCIL IN THE EVENT OF INTENSIFIED MILITARY ACTION, CLARK SAID THAT WE COULD RELY ON US SUPPORT. HE REPEATED WHAT HE HAD SAID TO ME BEFORE THAT I MUST REST ASSURED THAT THERE WAS NO DOUBT WHERE THE PRESIDENT'S SYMPATHIES AND SUPPORT LAY.

6. CLARK WAS WORKING ON THE DRAFT TEXT OF THE PRESIDENT'S SPEECH TO PARLIAMENT. THIS GAVE ME THE OPPORTUNITY TO SAY HOW CLOSELY ANY WORDS HE UTTERED BETWEEN NOW AND HIS EUROPEAN VISIT RELATING TO THE FALKLAND ISLANDS WOULD BE LISTENED TO IN THE UK.

HENDERSON

NNHN

DESKBY 181530Z

FROM UKREP BRUSSELS 181438Z HAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 1987 OF 18 MAY 1982

INFO IMMEDIATE BRUSSELS COPENHAGEN THE HAGUE ROME DUBLIN PARIS BONN
LUXEMBOURG ATHENS UKMIS NEW YORK WASHINGTON OSLO CANBERRA
WELLINGTON OTTAWA
INFO ROUTINE UK DEL NATO

COREPER (AMBASSADORS) 18 MAY: FLAKLANDS-EUROPEAN COMMUNITY EMBARGO

#### SUMMARY

1. TEXT OF REGULATION EXTENDING THE EMBARGO UNTIL
24 MAY AGREED. ITALY AND IRELAND MADE A JOINT STATEMENT
FOR THE COUNCIL MINUTES SAYING THAT THEY WOULD NOT
APPLY THE EMBARGO, BUT WOULD EXAMINE WITH THE COMMISSION
THE MEASURES NECESSARY TO AVOID DISTORTION OF TRADE.
DENMARK CONFIRMED THAT THE REGULATION WOULD APPLY IN
DENMARK ONLY UNTIL CORRESPONDING NATIONAL MEASURES HAD BEEN PUT
INTO FORCE.

2. THE REGULATION (AND ACCOMPANYING DECISION ON ECSC PRODUCTS) WAS PASSED

AIQICIL WPIBXEJVN

(AGRICULTURE) AND WAS ADOPTED AS AN A POINT. IT WILL APPEAR IN THE OFFICIAL JOURNAL OF TODAY'S DATE.

#### DETAIL

3. PRESIDENCY SUMMARISED RESULTS OF DISCUSSION BY MINISTERS IN LUXEMBOURG AS IN PARAGRAPH 1 OF FCO TELEGRAM NO 56 YTO LUXEMBOURG. COREPER'S TAKS WAS TO AGREE THE IMPLEMENTING MEASURES.

4. THE TEXT OF A DRAFT REGULATION WAS CIRCULATED,
ITALY, IRELAND AND DENMARK WERE INVITED TO SUBMIT
TEXTS OF STATEMENTS TO THE COUNCIL MINUTES DESCRIBING THEIR
RESPECTIVE POSITIONS.

5. RIBERHOLDT (DENMARK) TRIED UNHELPFULLY TO GET

.... ( -- WARRY INTEL UNHELPFULLY TO GET ITALY AND IRELAND TO INSIST THAT THEIR POSITIONS APPEAR IN THE PREAMBLE TO THE REGULATION. THEY DECLINED. 6. IRELAND AND ITALY ATTEMPTED TO GET WRITTEN INTO THE PREAMBLE A STATEMENT THAT THE PRESENT MEASURES WERE TAKEN 'ONLY" IN SUPPORT OF A DIPLOMATIC SOLUTION. UK

REJECTED THIS. IT WAS AGREED TO REFER ONLY TO THE POCO DELIBERATIONS OF YESTERDAY.

7. UK SECURED DELETION OF A SUPERFLUOUS PHRASE IN THE PREAMBLE SAYING THAT RENEWAL WAS FOR A SHORT PERIOD ONLY.

B. DENMARK PROPOSED AN AMENDMENT WHICH WOULD HAVE DELETED FROM ARTICLE 3 OF THE ORIGINAL REGULATION THE REFERENCE TO THE POSSIBILITY OF FURTHER EXTENSION OF THE EMBARGO, ON THE GROUNDS THAT MINISTERS YESTERDAY HAD NOT ADDRESSED THE POINT. UK ARGUED THAT TO DROP IT WOULD SUGGEST THAT THERE WAS NO QUESTION OF FURTHER EXTENSION. AFTER RIBERHOLDT HAD CONTACTED OLESEN A COMPROMISE WAS AGREED TO THE EFFECT THAT MINISTERS WOULD EXAMINE THE SITUATION NOT LATER THAN 24 MAY AND DECIDE ON POSSIBLE MEASURES TO BE

9. A SIMILAR DECISION WAS ADOPTED FOR ECSC PRODUCTS.

18. IRELAND, ITALY AND DENMARK MADE STATEMENTS FOR THE COUNCIL MINUTES.

11. TEXTS WERE PASSED TO THE AGRICULTURE COUNCIL WHICH ADOPTED THEM AS AN A POINT. THEY WILL APPEAR IN TODAY'S OFFICIAL JOURNAL, THUS ENSURING THAT THERE IS NO INTERRUPTION OF THE VALIDITY OF THE EMBARGO.

12. MIFT CONTAINS TEXT OF REGULATION EXTENDING THE EMBARGO AS ADOPTED BY THE COUNCIL AND OF ITALIAN/IRISH AND DANISH STATEMENTS.

FCO ADVANCE TO:-

FCO - BRIDGES GIFFORD HANNAY CROWE MS YOUNG EMERGENCY UNIT

CAB - WADE-GERY COLVIN GOODENOUGH FULLER HATFIELD

DOT - GRAY (DEP SEC)

UNCLASSIFIED

DESKBY 1816ØØZ

FM UKREP BRUSSELS 181439Z MAY 82

TO IMMEDIATE F C O

D 7 2 3 8 3 4

TELEGRAM NUMBER 1988 OF 18 MAY 1982

INFO IMMEDIATE BRUSSELS COPENHAGEN THE HAGUE ROME DUBLIN PARIS
BONN LUXEMBOURG ATHENS UKMIS NEW YORK WASHINGTON OTTAWA CANBERRA
WELLINGTON OSLO

M I F T: FALKLANDS - EUROPEAN COMMUNITY EMBARGO

1. FOLLOWING IS TEXT OF REGULATION AS ADOPTED BY THE COUNCIL:

REGLEMENT (CEE NO /82 DU CONSEIL

DU 18 MAI 1982

PROROGEANT LA SUSPENSION DE L'IMPORTATION
DE TOUT PRODUIT ORIGINAIRE D'ARGENTINE

LE CONSEIL DES COMMUNAUTES EUROPEENNES.

W LE REGLEMENT (CEE) NO 877/82 DU CONSEIL, DU 16 AVRIP 182, SUSPENDANT L'IMPORTATION DE TOUT PRODUIT ORIGINAIRE D'ARGENTINE (1), ET NOTAMMENT SON ARTICLE 3,

CONSIDERANT QUE, CONFORMEMENT AU REGLEMENT PRECITE, LE CONSEIL, STATUANT SUR PROPOSITION DE LA COMMISSION, EST APPELE A EXAMINER AVANT L'EXPIRATION DE CE REGLEMENT L'OPPORTUNITE DE LE PROROGER, DE LE MODIFIER ET, LE CAS ECHEANT, DE L'ABROGER:

CONSIDERANT QUE LES DELIBERATIONS DANS LE CADRE DE LA COOPERATION POLITIQUE EUROPEENNE ONT CONDUIT À LA DECISION QU'IL CONVIENT DE PROROGER LA SUSPENSION DE L'IMPORTATION DE TOUT PRODUIT ORIGINAIRE D'ARGENTINE,

W LE TRAITE INSTITUTANT LA COMMUNAUTE ECONOMIQUE EUROPEENNE,

ET NOTAMMENT SON ARTICLE 113, W LA PROPOSITION DE LA COMMISSION,

A ARRETE LE PRESENT REGLEMENT

ARTICLE PREMIER

L'ARTICLE 3 DU REGLEMENT (CEE) NO 877/82 EST REMPLACE PAR LE TEXTE SUIVANT :

LE PRESENT REGLEMENT ENTRE EN VIGUEUR LE JOUR DE SA PUBLICATION AU JOURNAL OFFICIEL DES COMMUNAUTES EUROPEENNES.

IL EST APPLICABLE JUSQU'AU 24 MAI 1982.

AU PLUS TARD A CETTE DATE IL SERA PROCEDE A UN NOUVEL EXAMEN DE LA SITUATION ET DES MESURES EVENTUELLES A PRENDRE. \*\*

#### ARTICLE 2

LE PRESENT REGLEMENT ENTRE EN VIGUEUR LE JOUR DE SA PUBLICATION AU JOURNAL OFFICIEL DES COMMUNAUTES EUROPEENNES.

LE PRESENT REGLEMENT EST OBLIGATOIRE DANS TOUS SES ELEMENTS ET DIRECTEMENT APPLICABLE DANS TOUT ETAT MEMBRE.

2. FOLLOWING IS TEXT OF ITALIAN/IRISH STATEMENT:

"SE REFEREANT AU REGLEMENT (CEE) NO 1176/82 ET A LA DECISION NO 82/320/CECA, LES GOUVERNEMENTS ITALIEN ET IRLANDAIS, POUR LEUR PART, DECLARENT, SUR BASE DE L'ARTICLE 224 DU TRAITE, QU'ILS N'APPLIQUERONT PAS, IMPORTATIONS DES PRODUITS ORIGINAIRES D'ARGENTINE ET EXAMINERONT AVEC LA COMMISSION, CONFORMEMENT À L'ARTICLE 225, LES MESURES NECESSAIRES POUR EVITER DES DETOURNEMENTS DE TRAFIC."

3. FOLLOWING IS TEXT OF DANISH STATEMENT:

"THE DANISH GOVERNMENT DECLARES THAT THE REGULATION (EEC) NO 1176/82 AND THE DECISION NO 82/328/ECSC WILL ONLY APPLY IN DENMARK UNTIL THE DATE WHEN CORRESPONDING NATIONAL MEASURES ARE PUT INTO FORCE IN DENMARK PURSUANT TO ARTICLE 224 OF THE TREATY."

FCO ADVANCE TO:-

FCO - BULLARD, GIFFORD, HANNAY, CROWE, MS YOUNG, EMERGENCY UNIT

CAB - WADE-GERY, COLVIN, FULLER, HATFIELD, GOODENOUGH

DOT - GRAY (DEP. SEC.)

BUTLER

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118 MAY "--

OO ATHENS DESKBY 190700Z

OO ROME DESKBY 190700Z GRS 750. CONFIDENTIAL

DESKBY 190700Z ALL EC POSTS FM FCO 181800Z MAY 82 TO IMMEDIATE ATHENS TELEGRAM NUMBER 143 OF 18 MAY 1982 AND TO IMMEDIATE ALL OTHER EC POSTS INFO WASHINGTON, UKMIS NEW YORK, UKDEL NATO

FALKLANDS: EC IMPORT BAN

IT IS CLEARLY DOUBTFUL WHETHER, WHEN THE RENEWED COMMUNITY REGULATION IMPOSING AN IMPORT BAN ON ARGENTINA EXPIRES ON 24. MAY, ITS FURTHER RENEWAL WILL BE FEASIBLE. THE COURSE OF EVENTS IN .THE SOUTH ATLANTIC MAY MAKE IT LESS LIKELY. PARTICULAR MAY NOT AGREE A FURTHER PERIOD OF MEASURES BASED ON ARTICLE 113. AND THERE IS NO REASON TO BELIEVE THAT THE ITALIAN OR IRISH POSITION WILL CHANGE FOR THE BETTER. OUR INTEREST REMAINS ON BOTH POLITICAL AND ECONOMIC GROUNDS TO MAINTAIN THE EMBARGO BY AS MANY OF OUR COMMUNITY PARTNERS AS .. WE CAN. WE THEREFORE NEED TO BRING WHAT PRESSURE WE CAN TO BEAR ON MEMBER STATES EITHER TO RENEW ON THE PRESENT BASIS OR, IF THEY ARE WILLING TO SUBSTITUTE NATIONAL MEASURES FOR THE COMMUNITY BAN, TO PUT THEMSELVES IN A POSITION TO TAKE ACTION, IF NECESSARY, WITH EFFECT FROM 25 MAY, SO THAT THERE WILL BE NO GAP. ALTHOUGH OUR PARTNERS MAY BE TEMPTED TO AWAIT THE OUTCOME IN NEW YORK, WITH THE ASCENSION DAY HOLIDAY THIS WEEK IT IS IMPORTANT THAT THEY SHOULD DO SOME CONTINGENCY PLANNING NOW. YOU SHOULD THEREFORE SPEAK TO THE GOVERNMENT TO WHICH YOU ARE

ACCREDITED AT A HIGH LEVEL (AND UKREP SHOULD TAKE PARALLEL ACTION

AS APPROPRIATE WITH THE COMMISSION) ON THE FOLLOWING LINES.

- (FOR ALL EXCEPT ITALY AND IRELAND) WE ARE GRATEFUL FOR 3. SUPPORT FOR CONTINUING THE IMPORT BAN AGAINST ARGENTINA. WE CONTINUE TO WORK HARD FOR A POLITICAL SOLUTION. UNTIL ARGENTINE FORCES ARE WITHDRAWN FROM THE FALKLAND ILANDS IT WLL BE ESSENTIAL TO MAINTAIN MAXIMUM PRESSURE ON ARGENTINA BY ALL POSSIBLE MEANS. ECONOMIC MEASURES ARE A VITAL ELEMENT. SHOULD A POLITICAL SOLUTION NOT HAVE BEEN REACHED BY THE EXPIRY OF THE COMMUNITY BAN ON 24 MAY, (FOR DENMARK ONLY) WE LOOK TO THE DANISH GOVERNMENT TO CONTINUE FOR AS LONG AS NECESSARY THE LEGISLATION WHICH THEY ARE ABOUT TO INTRODUCE SEMI-COLON (FOR ALL EXCEPT ITALY, IRELAND AND DENMARK) A CONTINUATION OF THE IMPORT BAN WILL BE NECESSARY BY AS MANY MEMBER STATES AS POSSIBLE BY WHATEVER MEANS COMMAND SUPPORT. THE BEST SOLUTION MIGHT BE RENEWAL OF THIS WEEK'S REGULATION (WITH ITS EXEMPTIONS FOR ITALY AND IRELAND PLUS A PROVISION FOR DENMARK ANALAGOUS TO THAT FOR THE UK'S NATIONAL MEASURES) FOR A FURTHER PERIOD, PERHAPS A MONTH. WITH THE DOUBTERS NOW OUT OF IT WE HOPE THIS WOULD NOT BE OPPOSED. BUT, TO GUARD OURSELVES AGAINST THE UNEXPECTED, WE HOPE THOSE MEMBER STATES WHO ARE CONTINUING TO GIVE US THEIR BACKING MAY BE READY TO TAKE NATIONAL MEASURES INSTEAD. THERE-FORE HOPE BOTH THAT OUR PARTNERS WILL GIVE US ALL NECESSARY SUPPORT FOR RENEWAL OF THE PRESENT COMMUNITY BAN, AND WILL HAVE READY FOR IMMEDIATE INTRODUCTION WHATEVER MEASURES ARE NECESSARY UNDER THEIR CONSTITUTIONS TO CONTINUE THEIR OWN BANS ON A NATIONAL BASIS, THUS ENSURING THAT THERE WOULD BE NO GAP AFTER 24 MAY. (THE UK BAN IS ALREADY UNDER ARTICLE 224 AND COVERS ARGENTINE IMPORTS FROM ANY SOURCE. OUR PARTNERS COULD FOLLOW THE SAME PATTERN.) (FOR ALL EXCEPT ITALY AND IRELAND) IN THIS WAY A SUBSTANTIAL PART, AT LEAST, OF THE SOLIDARITY WHICH THE COMMUNITY HAS SHOWN SINCE THE BEGINNING OF THE CRISIS WILL BE MAINTAINED AND THE PRESSURE KEPT UP ON ARGENTINA.
  - 4. , (FOR ITALY) WE UNDERSTAND THE DOMESTIC POLITICAL DIFFICULTIES WHICH HAVE LED TO THE INABILITY OF THE ITALIAN GOVERNMENT TO CONTINUE TO BAN ARGENTINE IMPORTS. NONETHELESS (FOR ITALY AND IRELAND) IT IS IMPORTANT TO MAINTAIN COMMUNITY

SOLIDARITY AND TO SEND THE RIGHT SIGNALS TO ARGENTINA. THE UK CONTINUES TO LOOK FOR A POLITICAL SOLUTION IF HUMANLY POSSIBLE, BUT UNTIL ARGENTINE FORCES ARE WITHDRAWN FROM THE FALKLAND ISLANDS IT WILL BE ESSENTIAL TO MAINTAIN MAXIMUM PRESSURE ON ARGENTINA BY ALL POSSIBLE MEANS. WE THEREFORE LOOK TO THE ITALIAN AND IRISH GOVERNMENTS TO SUPPORT ANY COMMUNITY DECISION ON 24 MAY WHICH THE MAJORITY WANT AND WHICH SAFEGUARDS THEIR POSITION. WE WELCOME THEIR CONTINUING POLITICAL SUPPORT, INCLUDING THE ARMS EMBARGO AND THE NON-AVAILABILITY OF GOVERNMENT-SUPPORTED CREDITS. (FOR IRELAND) WE RECOGNISE IRELAND'S SPECIAL POSITION AS A MEMBER OF THE UNSC. BUT WE LOOK TO THE IRISH GOVERNMENT TO CONSULT US AS A FELLOW MEMBER OF THE COMMUNITY AND OF POLITICAL COOPERATION BEFORE TAKING ANY INITIATIVES OF THEIR OWN ON A MATTER OF SUCH CRUCIAL IMPORTANCE TO US.

PYM

#### CONFIDENTIAL



# MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 21.1.1/3 pirect Dialling)
01-218 9000 (Switchboard)

MO 5/21

19th May 1982

Dear Willie,

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## PRIME MINISTER'S MEETING WITH MR MULDOON

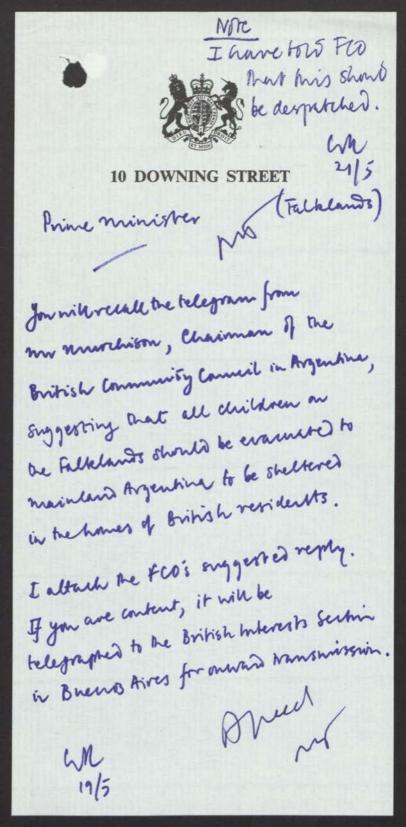
I understand from John Holmes that Mr Muldoon, during his meeting with Mr Pym, mentioned that New Zealand has it in mind to offer us a frigate should hostilities break out round the Falklands.

The Ministry of Defence had earlier sent to you a Line-to-Take against the possibility of such an offer in the context of the handover of HMS BACCHANTE. In view of conversations this morning I am attaching an updated and more positive line.

(JE RIDLEY) (MISS)

#### Line to Take (defensive)

- 1. Grateful for this generous offer, which typifies strong support given by New Zealand to HMG throughout the present crisis.
- 2. Falklands operation obviously absorbing much of the Royal Navy's front line strength.
- 3. Will ask Ministry of Defence to look into this as quickly as possible and to take it up further with your High Commission in London.





# Foreign and Commonwealth Office London SW1A 2AH

19 May, 1982

Dear John,

The P. D. appared a copy of the.

Thank you for sending me a copy of a telegram to the Prime Minister from the Chairman of the British Community Council in Argentina, proposing the evacuation of children from the Falkland Islands to Argentina.

I enclose a draft reply from the Prime Minister to Mr Murchison. This, like earlier messages to him, should be telegraphed to the British Interests Section in Buenos Aires for them to pass on. Mr Pym has not yet seen the draft. I will pass on any comments he may have as soon as possible.

(J E Holmes)

Private Secretary

Your ere

A J Coles Esq Private Secretary 10 Downing Street

### OUT TELEGRAM

Classification and Caveats

UNCLASSIFIED

Precedence/Deskby

IMMEDIATE

ZCZC

GRS

UNCLASSIFIED

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FM FCO

MAY 82

TO IMMEDIATE BISBA

TELEGRAM NUMBER

Please pass following to G T Murchison, Chairman, British Community Council in the Argentine Republic, from the Prime Minister in answer to Murchison's Telex of 17 May.

'Thank you for your telegram about the children who remain on the Falkland Islands. I appreciate your anxiety for their safety.

'The children can best be safeguarded by the early withdrawal of the Argentine occupying forces from the Islands, as required by the Resolution 502 of the Security Council. We have given the Argentine government every opportunity to withdraw peacefully. Moreover it is not possible for me to say whether your proposal would be acceptable to the Falkland Islanders. They may not of course wish their children to be evacuated from the Falkland Islands. And if they did, they might well not wish them to go to Argentina.

'In these circumstances any sounding of the opinion

NNNN ends telegram	BLANK	Catchword	
File number	Dept Private Off	Distribution ce	
Drafted by (Block capitals)  J E HOLMES			
Telephone number 233 4641			
Authorised for despatch			
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# OUT TELEGRAM (CONT)

		Classification and Caveats							
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	1 ZCZC		THE PARTY OF THE P						
	2	of the Islanders could	hest he was a						
	3	of the Islanders could best be undertaken by representative							
	4	of the International Committee of the Red Cross. Unfortunately the Argentine and the Red Cross.							
	5	Unfortunately the Argentine authorities have not permitted representatives of the Committee to the committee							
	6	representatives of the Committee to travel to the Islands. We regret this.							
	7		e shall do all in our po						
	8	protect the safety and	well-being of all the Fa	wer to					
1	9	Islanders. But I must	repeat that the best gua	lkland					
10	0	their safety would be in	nmediate Argentine withd	rantee of					
1	1	demanded by the internal	tional community through	rawal as					
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1982 MAY 1982

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MIFT FALKLANDS.

1. FOLLOWING IS TEXT OF SECRETARY-GENERAL'S AIDE MEMOIRE AND THO ATTACHED FORMULATIONS DELIVERED TO US LATE TONIGHT (19 MAY).

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### AIDE MEMOIRE

THE SECRETARY-GENERAL BELIEVES THAT, AT THIS CRITICAL POINT IN THE EXCHANGES WHICH HE HAS BEEN HAVING WITH THE PARTIES CONCERNING THE CONTINUING CRISIS, IT IS USEFUL TO SET DOWN THOSE ISSUES ON WHICH AGREEMENT SEEMS TO EXIST AND THOSE ON WHICH DIFFERENCES REMAIN.

IN THE SECRETARY-GENERAL'S JUDGEMENT, THE TWO PARTIES ARE IN ESSENTIAL AGREEMENT ON THE FOLLOWING POINTS:

- 1. THE AGREEMENT BEING SOUGHT IS INTERIM IN NATURE AND WILL BE WITHOUT PREJUDICE TO THE RIGHTS, CLAIMS OR POSITION OF THE PARTIES CONCERNED.
  - 2. THE AGREEMENT WILL COVER A) A CEASE-FIRE, B) THE MUTUAL WITH-DRAWAL OF FORCES, C) THE TERMINATION OF EXCLUSION ZONES AND OF ECONOMIC MEASURES INSTITUTED IN CONNEXION WITH THE CONFLICT,
  - D) THE INTERIM ADMINISTRATION OF THE TERRITORY AND, E) NEGOTIATIONS ON A PEACEFUL SETTLEMENT OF THEIR DISPUTE.
  - 3. THE INITIATION OF THESE VARIOUS PARTS OF AN AGREEMENT WILL BE SIMULTANEOUS.
  - 4. WITHDRAWAL OF FORCES WILL BE PHASED AND WILL BE UNDER THE SUPERVISION OF THE UNITED NATIONS CBSERVERS.
  - 5. THE INTERIM ADMINISTRATION OF THE TERRITORY WILL BE UNDER THE AUTHORITY OF THE UNITED NATIONS. THE UNITED NATIONS FLAG SHALL BE FLOWN. ARGENTINA AND THE UNITED KINGDOM WILL ESTABLISH SMALL LIAISON OFFICES, ON WHICH THEIR RESPECTIVE FLAGS MAY BE FLOWN.

THE PARTIES WILL ENTER INTO NEGOTIATIONS IN GOOD FAITH UNDER
THE AUSPICES OF THE SECRETARY-GENERAL OF THE UNITED NATIONS FOR
THE PEACEFUL SETTLEMENT OF THEIR DISPUTE AND SEEK, WITH A SENSE OF
URGENCY, THE COMPLETION OF THESE NEGOTIATIONS BY 31 DECEMBER 1982,
TAKING INTO ACCOUNT THE CHARTER OF THE UNITED NATIONS AND THE
RELEVANT RESCLUTIONS OF THE GENERAL ASSEMBLY. THESE NEGOTIATIONS
SHALL BE INITIATED WITHOUT PREJUDICE TO THE RIGHTS CLAIMS OR
POSITION OF THE PARTIES AND WITHOUT PREJUDGEMENT OF THE OUTCOME. THE
NEGOTIATIONS SHALL BE HELD IN NEW YORK OR AT A MUTUALLY ACCEPTABLE
LOCATION IN THE VICINITY THEREOF. THOSE POINTS ON WHICH FULL
AGREEMENT MUST STILL BE ACHIEVED, IN THE SECRETARY-GENERAL'S
JUDGEMENT, ARE THE FOLLOWING:

- 1. CERTAIN ASPECTS OF THE INTERIM ADMINISTRATION OF THE TERRITORY.
- 2. PROVISION FOR THE EXTENSION OF THE TIME FRAME FOR COMPLETION OF NEGOTIATIONS AND THE RELATED DURATION OF THE INTERIM ADMINISTRATION.
- 3. CERTAIN ASPECTS OF MUTUAL WITHDRAWAL OF FORCES.
- 4. THE GEOGRAPHIC AREA TO BE COVERED BY THE TERMS OF THE INTERIM AGREEMENT.

IT IS EVIDENT FROM THIS REVIEW THAT THE EXTENT OF AGREEMENT IS SUBSTANTIAL AND IMPORTANT. IF IT CAN BE INCORPORATED IN THE TEXT OF AN INTERIM AGREEMENT, THE REQUIREMENTS OF SECURITY COUNCIL RESOLUTION 502 WOULD BE MET. THE SECRETARY-GENERAL IS DEEPLY CONCERNED, HOWEVER, THAT UNLESS THE REMAINING POINTS ARE RESOLVED IN THE VERY IMMEDIATE FUTURE, ALL THAT HAS BEEN ACCOMPLISHED WILL BE LOST AND THE PROSPECTS FOR THE EARLY RESTORATION OF PEACE WILL BE FRUSTRATED.

THESE DIFFERENCES, THE SECRETARY-GENERAL IS APPENDING TO THIS AIDE MEMOIRE TWO INFORMAL PAPERS CONTAINING FORMULATIONS WHICH, IN THE SECRETARY-GENERAL'S VIEW, MIGHT SATISFACTORILY MEET THE OBJECTIVES OF THE PARTIES WITH REGARD TO AN INTERIM AGREEMENT. THESE FORMULATIONS DEAL WITH THE TIME FRAME OF DIPLOMATIC NEGOTIATIONS AND THE FORM WHICH THE INTERIM ADMINISTRATION OF THE TERRITORY UNDER THE AUTHORITY OF THE UNITED NATIONS MIGHT TAKE.

WITH REGARD TO THE QUESTION OF THE GEOGRAPHIC AREA COVERED BY THE TERMS OF AN INTERIM AGREEMENT, THE SECRETARY—GENERAL WOULD SUGGEST, AS A PRACTICAL APPROACH, THAT THE STATUS OF THE DEPENDENCIES BE INCLUDED WITHIN THE SCOPE OF THE NEGOTIATIONS FORESEEN ON A DIPLOMATIC SETTLEMENT ON THE SAME BASIS AS WAS PROVIDED IN THE JOINT COMMUNIQUE ISSUED BY ARGENTINA AND THE UNITED KINGDOM ON 26 APRIL 1977. IN THIS UNDERSTANDING, AND WITHOUT PREJUDICE TO THE ISSUE OF THE STATUS OF THESE ISLANDS, THE FORCE WITHDRAWAL AND INTERIM ADMINISTRATION PROVISIONS WOULD NOT BE APPLICABLE WITH REGARD TO THE DEPENDENCIES.

THE SECRETARY-GENERAL WOULS SUGGEST THAT THE UNITED NATIONS

BE TRUSTED WITH THE MODALITIES OF MUTUAL FORCE WITHDRAWALS IN THE

AMENORY OF THE AGREEMENT BETWEEN THE PARTIES THAT THE WITHDRAWALS

WILL BE SIMULTANEOUS AND PHASED. THIS RESPONSIBILITY WOULD BE UNDER
TAKEN WITH A VIEW TO COMPLETION OF THE WITHDRAWALS WITHIN A TWO
WEEK PERIOD.

THE SECRETARY-GENERAL WISHES TO EMPHASIZE THAT THE TIME LEFT FOR AGREEMENT MUST BE MEASURED NOW IN HOURS. IT IS, THEREFORE, HIS EARNEST HOPE THAT THE PARTIES WILL FIND IT POSSIBLE TO AGREE TO THE PROPOSED FORMULATIONS AND SUGGESTIONS AS A MEANS OF REACHING THE AGREEMENT WHICH CANNOT, WITHOUT GREAT PERIL, BE LONGER DELAYED.

THE SECRETARY-GENERAL FEELS OBLIGATED, IN THE INTEREST OF PEACE AND THE PRESERVATION OF HUMAN LIVES, TO MAKE CLEAR THAT THIS MAY BE THE LAST CHANCE FOR AGREEMENT THROUGHT NEGOTIATIONS.

19 MAY 1982.

FORMULATION ON TERMS OF REFERENCE FOR NEGOTIATIONS ON A DIPLOMATIC SETTLEMENT.

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 DISPUTE AND TO SEEK, WITH A SENSE OF URGENCY, THE COMPLETION OF THESE NEGOTIATIONS BY 31 DECEMBER 1982, TAKING INTO ACCOUNT THE CHARTER OF THE UNITED NATIONS AND THE RELEVANT RESOLUTIONS OF THE GENERAL ASSEMBLY. THESE NEGOTIATIONS SHALL BE INITIATED WITHOUT PREJUDICE TO THE RIGHTS, CLAIMS OR POSITION OF THE PARTIES AND WITHOUT PREJUDICEMENT OF THE OUTCOME. THE NEGOTIATIONS SHALL BE HELD IN NEW YORK OR AT A MUTALLY ACCEPTABLE LOCATION IN THE VICINITY THEREOF.

SHOULD THE SECRETARY-GENERAL, AFTER TAKING ACCOUNT OF THE COURSE OF NEGOTIATIONS AND THE VIEWS OF THE PARTIES, DETERMINE THAT THE ACHIEVEMENT OF A NEGOTIATED SETTLEMENT WILL NOT BE POSSIBLE WITHIN THE TIME FRAME ENVISAGED, HE MAY ESTABLISH A NEW TARGET DATE WHICH WILL BE IN KEEPING WITH THE URGENCY OF A DIPLOMATIC SOLUTION TO WHICH THE PARTIES ARE COMMITTED BY THIS AGREEMENT.

THE GOVERNMENT OF ARGENTINA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND SHIDKM BE BOUND BY THE PROVISION OF THIS AGREEMENT UNTIL THE NEGOTIATED SETTLEMENT PROVIDED FOR ABOVE COMES INTO EFFECT.

AN INTERIM ADMINISTRATION FORMULATION. THE UNITED NATIONS REPRESENTATIVE SHALL ASSUME, ON BEHALF OF THE UNITED NATIONS, FULL AND EXCLUSIVE AUTHORITY TO ADMINISTER THE TERRITORY. HE SHALL DISCHARGE HIS FUNCTIONS IN CONSULTATION WITH THE REPRESENTATIVE INSTITUTIONS IN THE ISLANDS WITH THE EXCEPTION THAT ONE REPRESENTATIVE FROM THE ARGENTINE POPULATION NORMALLY RESIDENT ON THE ISLANDS SHALL BE APPOINTED BY THE REPRESENTATIVE TO EACH OF THE TWO INSTITUTIONS. THE UNITED NATIONS REPRESENTATIVE 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. THE UNITED NATIONS FLAG SHALL BE FLOWN IN THE TERRITORY. THE GOVERNMENT OF ARGENTINA AND THE GOVERNMENT OF THE UNITED KINGDOM WILL, IN CONSULTATION WITH THE UNITED NATIONS REPRESENTATIVE, ESTABLISH SMALL LIAISON OFFICES TO MAINTAIN CONTACT WITH THE REPRESENTATIVE. THE FLAGS OF THE REPUBLIC OF ARGENTINA AND OF THE UNITED KINGDOM MAY BE FLOWN ON THEIR RESPECTIVE LIAISON OFFICES. DURING THE PERIOD OF INTERIM ADMINISTRATION, ALL COMMUNICATIONS AND OTHER CO-OPERATIVE ARRANGEMENTS IN THE ECONOMIC, SOCIAL, CULTURAL AND SCIENTIFIC-TECHNOLOGICAL FIELDS IN EFFECT ON 31 MARCH 1982 SHALL CONTINUE AND BE PROMOTED FURTHER, AS APPROPRIATE. P RELAXATION OF RESTRICTIONS ON RESIDENCE AND ACQUISITION OF PROP-ERTY WILL BE CONSIDERED, KEEPING IN MIND THE NECESSITY TO RESPECT AND SAFEGUARD THE CUSTOMS, TRADITIONS AND WAY OF LIFE OF THE INHABITANTS OF THE ISLANDS. ENDS PARSONS

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ommunications on this subject should be addressed to

THE LEGAL SECRETARY

ATTORNEY GENERAL'S CHAMBERS

Attorney General's Chambers,

Law Officers' Department,

Royal Courts of Justice,

London, W.C.2.

19 May 1982

A. J. Coles, Esq., 10 Downing Street, SW1

Les Tola,

A. J. C. 2/5

### FALKLAND ISLANDS: DRAFT INTERIM AGREEMENT

The Attorney General undertook yesterday to let the Prime Minister have a note of how the last sentence of Article 6(3) of the draft Interim Agreement would in practice have protected the Islanders against the threat of being 'flooded' by large scale Argentine immigration during the interim period. I now enclose a copy of that note. (The Attorney General may already have given the Prime Minister a copy). It was prepared in conjunction with the F.C.O. legal advisers and has been approved by the Attorney General. It is a purely factual note which I think accurately summarises the main elements of the main legislation but it does so with a fairly broad brush.

I should add that, although the F.C.O. have no misgivings about the accuracy of the note, they do have considerable misgivings about making public use of the detailed material in paragraphs 4, 5 and 6. They fear that this would create a picture of an arbitrary and discriminatory regime which might get an unsympathetic reception from international opinion and which the Argentines could seize on as justifying their unwillingness to accept our proposals in this respect. If the F.C.O. do wish to urge the inexpediency of the Prime Minister deploying this material in the House, they will no doubt say so.

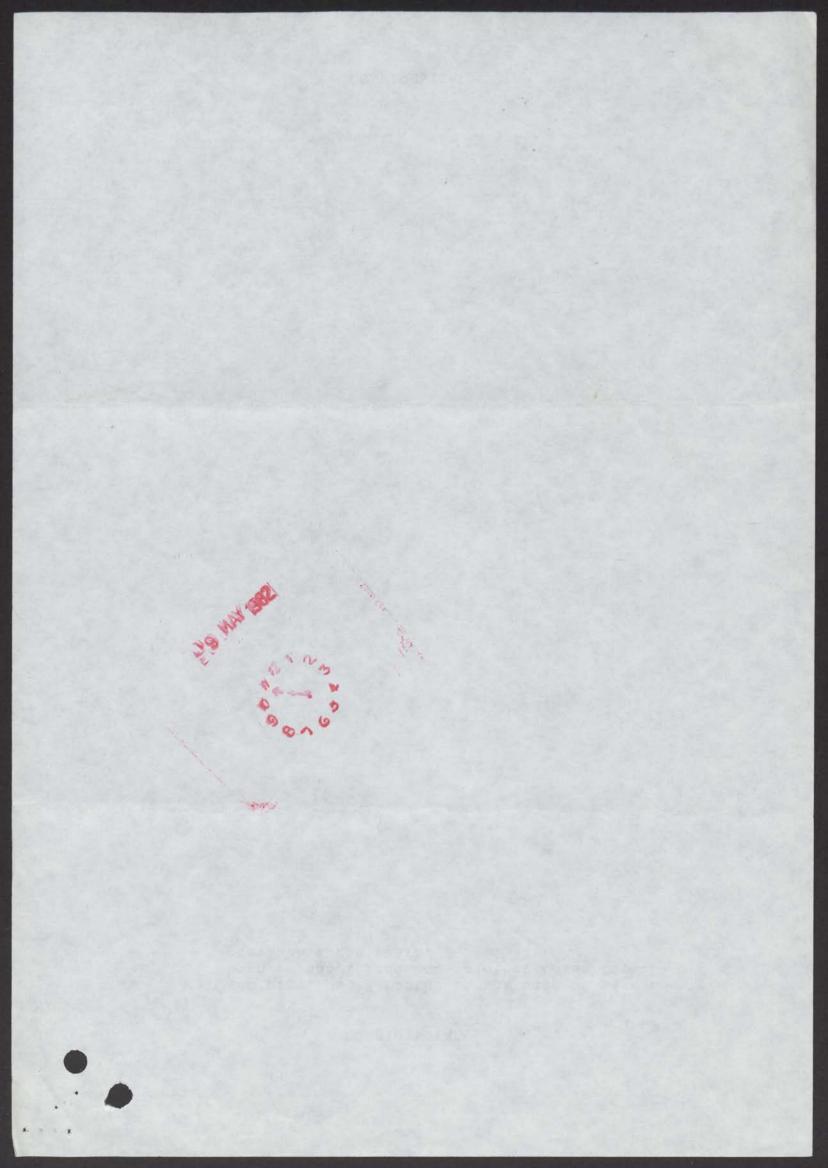
I am copying this letter and its enclosures to John Holmes and also to Ian Sinclair in the F.C.O.

(Henry Steel)

CONFIDENTIAL FALKLAND ISLANDS: DRAFT INTERIM AGREEMENT NOTE ON LAST SENTENCE OF ARTICLE 6(3) The Government regarded it as fundamental that the character of traditional society in the Falkland Islands should be preserved and protected during any period of UN administration. The UN Administrator was accordingly required by the last sentence of Article 6(3) to exercise his powers in accordance with the terms of this Agreement "and in conformity with the laws and practices traditionally obtaining in the Islands". The three most sensitive areas in this respect are those relating to immigration, to the acquisition by outsiders of interests in land and to the franchise. As regards immigration, the present position is that, under the Immigration Ordinance 1965, no person other than a permanent resident may enter the Islands without a permit. A permanent resident is defined as a person born in the Islands, or a person who has been ordinarily resident there for at least seven years, or the dependent of any such person, or a person naturalised locally. The general rule excluding persons who are not permanent residents is subject to a few specified exceptions: for example, persons in government service and persons possessing special qualifications who wish to exercise their professions and have the necessary capital to do so. As regards land holding, the Aliens Ordinance (Chapter 4 of the Laws of the Falkland Islands) prohibits any alien from holding land in the Islands without a licence. There are limited exceptions for aliens to hold short tenancies for the purposes of residence, trade or business. The franchise for the purpose of elections to the Legislative Council is regulated by the Legislative Council (Elections) Ordinance (Chapter 37) as amended. This provides that the franchise is restricted to persons who: are British subjects who have attained the age (a) of 18; are not specifically disqualified under any (b) other provision (eg because they are bankrupt, of unsound mind or have been convicted of an elections offence); and have resided in the relevant electoral area for (c) CONFIDENTIAL **PCGAAO** 

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the previous 12 months in the case of persons born in the Islands or in other cases for the previous three years.



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### 10 DOWNING STREET

From the Private Secretary

18 May 1982

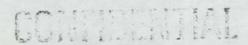
### Argentine Terrorism

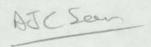
Hugh Thomas rang me today to report that a Peronist terrorist called Firminvich, who he described as a well known Montero, had recently appeared briefly on Argentine TV to state that he was planning a terrorist attack on a target in Britain. Thomas thought that we might well already have this information but believed he should pass it on, particularly in view of the number of Argentine students in the UK.

I am copying this letter to David Wright (Cabinet Office).

A. J. COLES

John Holmes, Esq., Foreign and Commonwealth Office





SAPU(82) 21

#### SOUTH ATLANTIC PRESENTATION UNIT (SAPU)

#### Attached are:

- 1. Prime Minister's Interview on IRN Radio on Monday Night
- 2. Mr Pym's Statement to the Press in Luxembourg on Monday Night
- 3. A Note on the Falkland Islands Company

Cabinet Office 18 May 1982

### PRIME MINISTER'S INTERVIEW ON I.R.N. ON MONDAY 17 MAY 1982

Q: Prime Minister, our representatives are once again negotiating at the United Nations. Now is this really the last chance for negotiations to achieve some positive results?

PM: I think it may be. After all, we've been negotiating now for about 6 weeks. I've looked at six sets of proposals and tried to put our view on each. They've got nowhere. And the fact is that I feel that if the Argentines had really wanted to withdraw, if they had really wanted to obey the Security Council Resolution, we should have seen some sign by now. But you know the Task Force is there, it's being very active, you saw the result of that commando raid, and one just hopes that that will have some influence on the junta in Argentina. And perhaps get a settlement where what had happened before wouldn't.

Q: Now does that actually mean that if there's to be any movement it has to come from their side, that we've gone as far as we can and that really it's up to them to move now?

<u>PM</u>: Oh, we've gone as far as we can, yes. They're the invader. They're the aggressor, we are the aggrieved. There's a United Nations Resolution which says the Argentines must withdraw. It's up to them. If we want peace, and I do, if they want peace they can have it by withdrawing.

Q: How wide is the gap now between the two of us? Are we anywhere near a compromise?

PM: It's very difficult to say. I think there's a fundamental difference between a democracy on our side and a dictatorship on their side. We believe in self determination, a dictatorship of course doesn't. And then sometimes you get speeches made in Argentina of the kind that President Galtieri made this weekend when he said that he was prepared to sacrifice some 40,000 lives for the Falkland Islands, to keep them. I just thought how dreadful. It made one sick at heart, so many. Whereas he could avoid all the loss of life by withdrawing from the Islands and carrying on the kind of talks we had before.

 $\underline{Q}$ : Now are you prepared to sacrifice lives for the sake of regaining the Islands? Some lives, hundreds of lives already. Do you panumber on it.

<u>PM</u>: If an aggressor succeeds in what he sets out to do, if he goes in by force to hold land and continues to hold that land, subjugate those people, then there will be many many other people in the future who will be treated the same way in other territories across the world. Therefore he has to go and he won't go by negotiations, he has to leave and we have to take military action to ensure that he does.

Q: Does that mean we make him go whatever the cost?

<u>PM</u>: We make him go. As I said in the very first speech, the cost of making a dictator, an invader go now, is very much less than of having other invasions, other dictatorships taking territory and peoples by force and then finally having to deal with them. So, he has to go.

Q: I get the feeling, coming from Downing Street as well as from other places in this country, that Ministers feel President Galtieri is just wasting time, playing for time, and that the longer this goes on the stronger he becomes. He's just playing you along.

PM: We don't know, he's not been able to play us along so far because no military decision has been held up because we are negotiating. Not one single one. Well, you've seen what's happened. Nothing's been held up. It's very difficult you know to know who you are negotiating with. You negotiate at the United Nations with a Mr. Ros. But you see we were already negotiating with him back in February. We always had the Islanders with us and what they wanted we tried to obtain for them and if they didn't want to make any concessions whatsoever or have more Argentinians in the Falklands, all right. Falklanders live there and therefore we agreed with the Falklanders. So then we were negotiating peacefully with Mr. Ros. Mr. Costa Mendez is their Foreign Minister, when the South Georgia incident came up, you know they landed on South Georgia to try to

- 3 remove a whaling station under commercial contract but they hadn't got the proper permits. When we tried to settle that by diplomacy just one day before the invasion, Mr. Costa Mendez called our Ambassador and said the negotiations are closed. President Reagan telephone President Galtieri to say we hear you are making plans to invade - don't. President Reagan was on to President Galtieri for 50 minutes on the telephone. He was rebuffed. Now, they didn't want a peaceful settlement then. They just wanted to use military means and to invade. They not only fired the first shot they were responsible for the invasion and the first act when they had landed was they went straight to the barracks where our marines were expected to be, they thought they were all inside those barracks, and they mortar bombed those barracks heavily, hoping to get the lot. They didn't because fortunately our marines were not there. Now that's what you're dealing with. You don't know who you are dealing with. Is it Mr. Ros, is it Mr. Costa Mendez, he has to refer to Galtieri, Mr. Galtieri has to refer to the others in the junta, they have to refer to the generals. We've been at this for six weeks and we're having one last go to see if we can get a peaceful settlement. Q: How long can that one last go, go on for? Days, hours, weeks? PM: Well, it occurs through the Secretary General of the United Nations who is being very very active indeed. A person of total integrity. And it just depends how long he thinks he can go on. My guess is that we shall know this week whether we're going to get a peaceful settlement or not. This week. That really is the deadline is it because we seem to have been saying this for a long time?

<u>PM</u>: I think we shall know this week. These are the sixth set of proposals. You would think that if the Argentines wanted a peaceful settlement they'd have taken more steps than they have towards one. The question is do they want one or not. And that's what we are trying to find out.

 $\underline{\mathbb{Q}}$ : Your suspicion is clearly that they do not.

 $\underline{PM}$ : I have seen no signs that they do in the last six weeks.

Q: Can I come back to the cost of this whole episode briefly.

Is it really a clash between, some say, what is right in principle and what is possible in practice? All right, the principle the they should leave the Islands is absolutely right but if it is too costly in lives and you don't want to get involved probably in numbers again, but if it's too costly then it will have been proved to be the wrong decision to go out there. To be practically wrong.

PM: No. I don't think you've got the point right at all. There are two points. First, the Falkland Islanders are British citizens. British citizens have been invaded. If they can't look to their own country to protect them, to go and try to get the invader off, what future is there for anyone in this world. So they have a right to look to us for their defence. We have a right to defend our own territory. That's one principle. Secondly, an invader must not be allowed to succeed. If he does there are many other peoples who will be invaded. Many of them who will be in jeopardy. Now these two are very important principles and i deals. And if they are flouted there will be no law in the world, there'll be international anarchy and many many peoples' lives will be at stake. And don't forget you're not exactly either dealing with a democratic country. Even if a democratic country did that we'd have to go and defend our own. But you're dealing with a country that hasn't exactly got a good record on human rights. Are you going to leave our people to be under the heel of that kind of junta.

Q: Well eventually we probably will. Eventually we are working to handing over the sovereignty of the place anyway?

<u>PM</u>: I beg your pardon. Did you really say that eventually Britain would leave these people to be under the heel of a junta if they did not wish it? Those are words that I never thought to hear. We went to defend them. That's what we've gone for. We've gone to get the Argentines off the Island. And I hope no-one will ever say that British subjects can't look to us to protect them.

Q: Can I inject a slightly personal note. I remember you talking in the House of Commons about your real fears being not that one of their boats went down but that one of our boats went down and very quickly that came to pass. It's an enormous stress for you personally

to have to make the kind of decisions which do involve men's lives.

PM: You cannot fight these battles without losing casualties. That problem is one which I live with every hour of the day and every hour of the night. But I also remember there are British people with something like 9 or 10,000 soldiers on those Islands. They are British people there. They look to us. It's more than 1800 people, it is the whole principle of shall an invader succeed, shall there be an international law. You see the fact is that United Nations Resolution on its own won't get those Argentine soldiers off those Islands. It ought to, it ought to. But it won't. There aren't many mandatory resolutions in the Security Council. There have been a number. The trouble is that the United Nations hasn't the power or authority to act to ensure that they are adhered to. So, if we can't get them off by diplomatic means, by economic means, we'll have to get them off by military means.

Q: You share the responsibility I have just mentioned, of course, with other members of the inner Cabinet. There's been a certain amount of public speculation and indeed speculation in your own Party that there's a division of opinion between yourself and Mr. Pym.

PM: There's no division of opinion. We argue about things, of course we do. There's so much at stake. You discuss every aspect, of course you do. You owe that to the lives of the people who are going to be risked and you owe it to their families, you owe it to all our people. All of that is done. No-one in this country would ever, have said what Galtieri said: "I am prepared to sacrifice 40,000 lives". We think about each one. Each and every one. But you cannot do these things without risks. We try to minimise the risks and we try to see that our own people have as much safety as is possible and that the risks are minimised.

Q: Well, I've got a slightly philosophical question, not too much there. But almost as soon as we start to negotiate with somebody like Galtieri, when he has actually just taken something by right of force, we almost make concessions to the fact that he has done it. We almost immediately start offering/some advantage for the fact that he's invaded. Is that a fear with you, that he will get something from this?

PM: Well, what he's asking of course is to say look I will with aw if you can assure me that I'll get sovereignty. And we're saying no, certainly not. You have to withdraw and we will continue to negotiate in the future. But you know, when we negotiated before, we always had the Islanders with us. And the Islanders don't want to be under the Argentine. Self determination means a great deal to us. That's what democracy is all about. And he invaded them really to punish them because they didn't want to be Argentinian. Because they didn't want to be under the rule of Argentine. We go down there to protect the right of self determination and to protect their right to live their lives in their way and with the kind of government of their choice. That is what democracy is all about.

Q: Do you have any fears about the way international opinion is going on all this? In the Common Market itself there seems less than absolute support for our stand.

<u>PM</u>: If we succeed, and I believe we shall, we shall have the quiet acclaim and approval of all who believe in democracy and they will think, thank goodness someone's stood up for international law, someone's stood up for their own people, someone's stood up and been loyal to those who are loyal to them. Someone's done it at last.

 $\underline{Q}$ : So even if all the international opinion goes against you, even if the UN and the Common Market all start to run away, you still say we fight on, we are standing for this cause.

PM: I don't believe everyone will run away from us. There's too much at stake. And fortunately there are far too few democracies in the world. Everyone will not run away from us. The United States has been very very staunch. Europe has been very very staunch. I believe that all democracies hope that democracy will succeed in this as in many other problems the world has to face.

Q: Just a couple of final points. One is, of great concern in particular to the religious the strong religious community in our Islands. And that is the visit of the Pope and the thought that it might be cancelled. Have you any advice to offer at this stage.

PM: It is a pastoral visit of the Pope. I very much hope that he will come. So many people are looking forward to it. So many people have made endless effort to see him, to organise things for him. It is a pastoral visit. I hope very very much that he will come and that he will get a warm welcome in our country.

 $\underline{\mathbb{Q}}$ : Can I ask what is really the summarising question. From the tone of everything that you've said and everything in which you've made so plain, it just strikes me that there really is, bearing in mind the gap between ourselves and Argentina, very little hope for anything but an invasion, that does seem the most likely course of action now, doesn't it?

PM: There's always time to pull back. Always. And that's our Ambassador has gone back to the United Nations this week to have one more go. To see if we can persuade them to pull back. For people like us it's difficult to see why they don't pull back. They've got a lot of young people on that Island and then he says he'll sacrifice 40,000. I cannot understand that. I just cannot understand it. When he could stop it as an act of statesmanship if you like, he could stop it and say all right, stop, we'll withdraw and then we'll go on talking afterwards. All it would need and many many people in the world would feel very much better, it would be an act of statesmanship and to be a wise act, an act that would be of great benefit to the Argentine people. For they are wrongly in those Islands. They were aggressors. That leads to international anarchy and if they don't decide to withdraw then I'm afraid we have to use force to get them out.

 $\underline{Q}$ : And so that's the final message from our envoys to the Argentinians at the United Nations. Pull back or face the consequences.

 $\underline{PM}$ : That is the right message if there is to be any hope for peaceloving, freedom-loving people the world over.

Mr Pym's Statement to the Press in Luxembourg on Monday Night Mr Pym: I want to say on the Falklands issue and the economic measures there was a very broad degree of agreement that these measures should continue and in fact they are going to continue. They are going to continue for a further seven days. Eight countries are going to continue the measures on that basis. Two other countries have particular difficulties and they are going to take measures to ensure that effectively the ban continues - the ban on imports. I think that it is a satisfactory result which brings no comfort to Argentina at all. And I would remind you that the Secretary-General of the United Nations has himself said that he believes that probably in the course of this week - and of course nobody can be certain - the negotiations themselves will come to a conclusion and therefore the Community felt that to extend for a further week was a sensible period of time. And bear in mind that Ministers are meeting again next Monday which is the seventh day. That is the background of that decision and so far as we are concerned I have to say I believe that to be satisfactory....

Q: Can you tell us how a compromise was reached from the position earlier in the evening?

A: What compromise?

Q: Well, we were talking earlier in the evening about the Italian situation. A possibility of them invoking the Luxembourg ....

A: The position is that eight members of the Community are going on exactly as we have been before and two are continuing on a different basis and will ensure that these imports do not come in. So that is the state of the compromise. It is not 100% but it is entirely satisfactory and there is no joy in it for Argentina.

Q: ..... Italy and Ireland

A: I have explained the position exactly and there was a very broad desire within the Community to continue because the negotiations are obviously at a very critical stage and there is a very broad measure ....

Q: Would you have preferred a month?

A: I think a week is quite reasonable because we are meeting in a week's time. The Secretary-General said himself that in his view probably a conclusion of negotiations will be reached this week. No we don't know that is so but he said that himself so I think it is perfectly reasonable If we want to change it or try to continue it or whatever it may be next Monday we are all going to meet any way so we can carry it forward.

### 3. Falkland Islands Company: Argentine Propaganda Claims

Argentine propaganda has been misrepresenting the Falkland Islands Company as a monopoly dominating political, economic and social life and preventing the proper development of the islands. To this has been added the completely false allegation that Mr Denis Thatcher is a shareholder.

The Company does not dominate the islands. It employes less than 14% of the population Though it has substantial holdings, it is only one of '40 independent land holders and for some years has been working actively to sell off land to small farmers and encourage independent tenants. The Company has made a significant contribution to the development of the islands and has been co-operating in plans for diversifying their economy.

The islanders have their own free and democratic institutions free of any company influence. The government of the islands is based on universal suffrage and there are no company representatives on the elected councils although two company employees were elected to the present councils. There are full union rights on the Falklands - a union with over 500 members working for numerous employers - and legislation covering wages, working conditions, compensation etc.



### 10 DOWNING STREET

From the Private Secretary

18 May 1982

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### BRITISH COMMUNITY COUNCIL IN ARGENTINA

Thank you for your letter of 14 May. The Prime Minister agrees that a reply to the Chairman of the above should be sent on the lines you propose though the words "similarly you can rest assured that" should be deleted from the fourth paragraph.

A.D. COLES

John Holmes, Esq., Foreign and Commonwealth Office.



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### 10 DOWNING STREET

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From the Private Secretary

18 May 1982

## CALL ON THE PRIME MINISTER BY THE GOVERNOR OF THE FALKLAND ISLANDS

Thank you for your letter of 17 May. The Prime Minister is content to delay a broadcast to the Falkland Islanders until there is a suitable major development.

A.U. COLES

John Holmes, Esq., Foreign and Commonwealth Office.



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### 10 DOWNING STREET

From the Private Secretary

18 May 1982

# FALKLANDS: PRESSURE ON PRESIDENT GALTIERI

Thank you for your letter of 18 May. As I told you on the telephone, the Prime Minister thought that it was now rather too late to send messages to the Presidents of Brazil and Mexico since this could conceivably lead to a delay in the timetable which we have established for action on the proposals we have sent to New York.

A. J. COLES

John Holmes, Esq., Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

Joseph John John Way Low.

18 May 1982

Prime Minister

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A. J.C.

Falklands: Pressure on President Galtieri

Sir Anthony Parsons has now confirmed that the UN Secretary General has agreed to give to the Argentines our draft for an interim agreement. The Prime Minister suggested that pressure should be brought to bear on President Galtieri to make him fully aware of the need to negotiate urgently and seriously.

We think that the Presidents of Brazil and Mexico would be the best intermediaries. I accordingly enclose draft messages for the Prime Minister to send to President Figueiredo of Brazil and President Lopez Portillo of Mexico. If the Prime Minister agrees, these should be despatched as soon as possible.

(J E Holmes)

Private Secretary

A J Coles Esq 10 Downing Street

Classification and Caveats Precedence/Deskby CONFIDENTIAL FLASH ZCZC 1 ZCZC GRS GRS 3 CLASS CONFIDENTIAL 4 CAVEATS 5 DESKBY FM FCO 6 FM FCO 180830Z MAY 82 PRE/ADD TO FLASH MEXICO CITY TEL NO 8 TELEGRAM NUMBER RFI IMMEDIATE WASHINGTON AND UKMIS NEW YORK 10 FALKLANDS: MESSAGE FROM PRIME MINISTER 1. Please deliver as soon as possible following personal message 11 12 from Prime Minister to President Lopez Portillo. 13 BEGINS: I deeply appreciate the concern which you have 14 consistently shown about the current dispute regarding the 15 Falkland Islands. . 16 As you will know, my colleagues and I have been concentrat-17 ing our attention on the negotiations for a peaceful resolution of 18 this crisis. Our representative, Sir Antony Parsons, has returned to the United Nations after consultations here, to continue 19 20 negotiations through the Secretary General. He has full 21 authority to put forward a clear united Kingdom position. 111 22 Negotiations have now been going on for more than five 11 23 weeks. The issues are clear, but the outcome is still uncertain. 24 We are concerned that the Argentine Government might be using 25 these negotiations to prolong its unlawful occupation of the

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We are concerned that the Argentine Government might be using these negotiations to prolong its unlawful occupation of the Island, rather than to resolve the issues which this has raised. The British Government have no wish to prolong a military confrontation. The means to end it must however lie with Argentine willingness to comply fully with Security Council Resolution 502. It should be grateful for anything you can do to impress upon the Argentine President the extreme urgency of an early and successful conclusion to negotiations under the Secretary General's auspices so that after a peaceful settlement may be reached. ENDS

2. For your own information, a message on similar lines is being sent by the Prime Minister to the President of Mexico.

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### CONFIDENTIAL

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DESKBY 181200Z
FM FCO 180900Z MAY 82
TO IMMEDIATE UKMIS NEW YORK
TELEGRAM NUMBER 423 OF 18 MAY
INFO IMMEDIATE WASHINGTON
YOUR TELNO 766 : FALKLANDS



- 1. WE NOTE THAT ROS TOLD THE PRESS AT 2100Z LAST NIGHT THAT HE HAD BEEN INFORMED OF THE LATEST BRITISH POSITION AND WOULD CONSULT HIS GOVERNMENT AND BRING BACK THEIR ANSWER.
- 2. IN VIEW OF THE IMPORTANCE OF THE PRESENT NEGOTIATIONS, WE NEED ABSOLUTE CLARITY ABOUT THE HANDLING OF OUR DRAFT AGREEMENT. PLEASE ASK THE SECRETARY-GENERAL URGENTLY TO CONFIRM THAT HE GAVE OUR TEXT TO ROS AND THAT THE LATTER UNDERTOOK FORMALLY TO TRANSMIT IT TO HIS GOVERNMENT. PLEASE LET US KNOW THE STARTING TIME OF THE SECRETARY-GENERAL'S INTERVIEW WITH ROS.
- 3. YOU WILL NO DOUBT FIND OUT FROM THE SECRETARY-GENERAL AS MUCH AS POSSIBLE ABOUT THE WAY IN WHICH ROS REACTED IN THE INTERVIEW.

PYM

#### [COPIES SENT TO NO 10 DOWNING ST]

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COPIES TO: PS/HOME SECRETARY PS/S OF S DEFENCE PS/CHANCELLOR DUCHY OF LANCASTER CABINE PS/SIR R ARMSTRONG PS/SIR M PALLISER OFFICE PS/SIR A DUFF MR WADE-GERY MR FULLER MR O'NEILL HD/ASSESSMENTS STAFF DIO MR J M STEWART AUSD STAFF MOD ADMIRAL SIR ROY HALLIDAY DGI MOD SIR P MOORE BUCKINGHAM PALACE DIRECTOR G.C.H.Q.

CONFIDENTIAL

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

PS/MR HURD PA ONSLOW PS/PUS . MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR ADAMS. LORD N G L'ENNOX LORD BRIDGES MR URE MR GILLMORE HD/PUSD HD/S AM D HD/DEF DEPT HD/NEWS DEPT HD/ERD HD/ECD(E) HD/UID HD/PLANNING STAFF MR ANTHONY WILLIAMS W60 EMERGENCY ROOM RESIDENT CLERK

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CONFIDENTIAL

FM MADRID 181510Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 281 OF 18 MAY

INFO PRIORITY GOVERNOR GIBRALTAR(PERSONAL) UKMIS NEW YORK INFO UKDEL NATO UKREP BRUSSELS

MY TELNO 279: FALKLANDS AND GIBRALTAR

I HAD ANOTHER LONG TALK TODAY WITH THE SPANISH FOREIGN MINISTER.

THE IMPETUS FOR THESE FREQUENT CONTACTS COMES AT LEAST AS MUCH
FROM HIM AS FROM ME.

2. I EXPRESSED YOUR APPRECIATION FOR THE SPANISH GOVERNMENT'S
DECISION TO DENY ARMS TO ARGENTINA AND OTHER COUNTRIES
WHICH MIGHT PASS THEM ON (YOUR TELNO 159). THIS PROMPTED
PEREZ-LLORCA TO TELL ME, ON A STRICTLY PERSONAL BASIS, THAT THE
SPANISH GOVERNMENT HAD RECEIVED INFORMATION ABOUT FLIGHTS BY DC8
CARRYING AVIATION MATERIAL FROM ISRAEL TO LIMA. HE DID NOT KNOW
WHETHER THIS INCLUDED MISSILES. AT LEAST ONE SUCH FLIGHT HAD
TAKEN PLACE VERY RECENTLY. THERE HAD BEEN NO (NO) OVERFLYING OF
SPAIN. I THANKED HIM AND PROMISED THAT HE WOULD BE PROTECTED
AS A SOURCE OF INFORMATION.

- 3. I EXPLAINED THE POSTION ON THE CURRENT NEGOTIATIONS IN THE UNITED NATIONS OVER THE FALKLANDS, AS SET OUT IN PARA 4 OF YOUR GUIDANCE TELEGRAM 99. I EMPHASISED YOUR CONSTRUCTIVE ATTITUDE IN BEING PREPARED TO CONTEMPLATE AN INTERIM ADMINISTRATION. PEREZ-LLORCA SAID THAT HE NATURALLY SHARED OUR HOPE FOR A PEACEFUL SETTLEMENT, FAILING THIS, HE DID NOT THINK SPANISH PUBLIC OPINION WOULD MAKE ALL THAT MUCH FUSS ABOUT A SWIFT. SHARP ACTION WHICH RESTORED THE ISLANDS TO BRITAIN WITH THE MINIMUM OF CASUALTIES. (PLEASE RESPECT THIS CALCULATED INDISCRETION). BUT HE THOUGHT THAT A FULL SCALE, BLOODY AND EXTENDED WAR WOULD CAUSE A LAND-SLIDE IN SPANISH PUBLIC OPINION, OF WHICH THE GOVERNMENT WOULD HAVE TO TAKE ACCOUNT. I EMPHASISED THE CURRENT NEED FOR ALL REPRESENTATIVES IN NEW YORK TO ASSIST THE SECRETARY GENERAL. THIS WAS A PARTICULAR OBLIGATION FOR THE MEMBERS OF THE SECURITY COUNCIL. I WANTED TO KEEP HIM CLOSELY INFORMED, SO THAT HE COULD EXERCISE PERSONAL CONTROL OVER THE SPANISH POSITION IN NEW YORK. HE WILL BE AWAY TOMORROW IN AACHEN WITH THE KING.
- 4. PEREZ-LLORCA TOLD ME THAT ARGENTINE, VENEZUELAN AND OTHER LATIN AMERICAN LOBBYISTS WERE NOW CONCENTRATING ON TWO PARTICULAR ALLEGATIONS. THE FIRST WAS THAT THE UNITED STATES FOR STRATEGIC REASONS HAD PRESSED HMG TO RETAIN SOVEREIGNTY OVER THE FALKLANDS. THE SECOND WAS THAT THE ARGENTINE INVASION HAD BECOME URGENT BECAUSE BRITISH MISSILES WOULD HAVE BEEN STATIONED ON THE ISLANDS TWO WEEKS LATER. I SAID I WAS SURE THERE WAS NOTHING IN EITHER OF THESE STORIES. BUT IT WAS USEFUL FOR US TO KNOW ABOUT THE OPPOSITION LINE.
- THERE MIGHT BE A CHANCE FOR A DISCREET TALK WITH YOU. IT WAS AN UNFORTUNATE TIME FOR HIM TO BE STARTING POLITICAL CONSULTATION WITH COMMUNITY FOREIGN MINISTERS. HE COULD HARDLY TELL THE SPANISH PRESS THAT THE QUESTION OF THE SOUTH ATLANTIC HAD NOT BEEN DISCUSSED AT ALL. BUT HE CERTAINLY DID NOT WANT A CONFRONTATION WITH YOU AND OTHER COMMUNITY MINISTERS ON THAT OCCASION. HE LIKED THE IDEA OF KEEPING IN TOUCH ABOUT COMMUNITY ENLARGEMENT AT OFFICIAL LEVEL (YOUR TELNO 157 TO WHICH I HAVE REPLIED SEPARATELY.)
- 6. I TAXED PEREZ-LLORCA WITH THE ALLEGED REMARKS ON GIBRALTAR
  BY THE SPANISH PRIME MINISTER (YOUR TELNO 160) REPORTED IN TODAY'S
  FINANCIAL TIMES. PEREZ-LLORCA SAID THIS WAS JUST ONE EXAMPLE OF TE
  WAY IN WHICH THE ARGENTINE INVASION OF THE FALKLANDS HAD INCREASED
  PUBLIC TENSION AND MISAPPREHENSION OVER BOTH GIBRLATAR TALKS AND
  SPANISH ENTRY INTO NATO. HE HAD SPOKEN ONLY THIS MORNING TO

SPANISH ENTRY INTO NATO. HE HAD SPOKEN ONLY THIS MORNING TO CALVO SOTELO. THEIR AGREED POSITION WAS QUITE CLEARLY THAT IMPLEMENTATION OF THE LISBON AGREEMENT SHOULD GO AHEAD ON NE 25, BARRING THE LAND-SLIDE MENTIONED IN PARAGRAPH 3 ABOVE. AT THE SAME TIME IT WOULD OBVIOUSLY HELP HIM WITH HIS COLLEAGUES TO GET SOME IDEA OF HOW YOU PERSONALLY VIEWED THE POSSIBLE OUTCOME ON JUNE 26. HE AGREED THAT IT WAS NOW MORE THAN EVER NECESSARY TO SHOW PUBLICLY THAT THE WAY TO SOLVE DISPUTES WAS THROUGH PEACEFUL NEGOTIATIONS.

7. FINALLY, PEREZ-LLORCA SUMMONED ORTEGA TO CONFIRM THAT THE WAY WE NOW CLEAR ON THE SPANISH SIDE TO PROCEED WITH DIRECT EXCHANGES ABOUT TELEX COMMUNICATIONS WITH GIBRALTAR AND THE IMPROVEMENT OF THE TELEPHONE EXCHANGE.

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

PS/ATTORNEY GENERAL

PS/CHANCELLOR DUCHY OF LANCASTER

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

CABINET

MR O'NEILL HD ASSESS-MENTS STAFF

DIO

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

DIRECTOR G.C.H.Q. (via Rosus).

ZZ F C O

PS

PS/MR HURD

MR BULLARD

MR GIFFARD

MR GILLMORE

MR BARRETT

HD/PLANNING STAFF

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SECRET

FM UKMIS NEW YORK 181420Z MAY 82 FELEGRAM NUMBER 769 OF 18 MAY 1982

INFO FLASH WASHINGTON.

MY TELEGRAMS NO 765 AND 766: FALKLANDS.

1. I WALKED ROUND TO PEREZ DE CUELLAR'S HOUSE LAST NIGHT. THIS IS THE ONLY WAY NOW IN WHICH I CAN SEE HIM PRIVATELY WITHOUT THE PRESS KNOWING.

2. FIRST I ASKED HOW HE HAD GOT ON WITH ROS. HE TOLD ME THAT HE HAD EXPLAINED OUR POSITION AT A PLENARY MEETING STARTING CHORTLY

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2. FIRST I ASKED HOW HE HAD GOT ON WITH ROS. HE TOLD ME THAT HE HAD EXPLAINED OUR POSITION AT A PLENARY MEETING STARTING SHORTLY AFTER 1930Z ON 17 MAY. HE HAD NOT HANDED OVER OUR PAPER FORMALLY TO ROS AT THE PLENARY BECAUSE HE WANTED TO SEE HIS PRIVATE REACTION: ROS'S TEAM HAD INCLUDED A NEW ARGENTINE SENIOR OFFICIAL FROM BUENOS AIRES WHOM PEREZ DE CUELLAR DID NOT KNOW. THERE HAD BEEN LITTLE OR NO DISCUSSION AT THE PLENARY.

- 3. PEREZ DE CUELLAR HAD THEN FORMALLY HANDED ROS OUR PAPER IN
  PRIVATE SESSION (YOUR TELNO 423) WITH THE REQUEST THAT HE TRANSMIT
  IT TO HIS GOVERNMENT. HE HAD TOLD ROS THAT HE, PEREZ DE CUELLAR,
  HAD GIVEN ME A DEADLINE FOR THE COMPLETION OF NEGOTIATIONS OF
  MIDDAY WEDNESDAY NEW YORK TIME. HE WAS GIVING ROS THE SAME DEADLINE.
  HE HAD URGED ROS TO REPLY ON TUESDAY IF POSSIBLE EVEN IF THIS
  MEANT HIS RESPONSE COMING IN THE MIDDLE OF THE NIGHT.
- 4. ROS HAD READ THE PAPER CAREFULLY AND HAD UNDERTAKEN TO TRANSMIT IT TO HIS GOVERNMENT. HE HAD LOOKED 'DISAPPOINTED'. HIS ONLY COMMENTS OF DETAIL WERE THAT HE SAW THAT WE WANTED THE AMERICANS IN THE ACT (FROM THE PLENARY MEETING) AND THAT WE HAD GONE BACK FROM 200 TO 150 MILES FOR THE WITHDRAWAL. I COMMENTED THAT THIS HAD FOLLOWED AN ARGENTINE PROPOSAL.
- 5. PEREZ DE CUELLAR SAID THAT HIS INSTINCT WAS THAT ROS WOULD
  COME BACK WITH ORAL COMMENTS: THE JUNTA WOULD NOT DARE SET OUT
  THEIR OWN POSITION IN WRITING FOR FEAR OF DOMESTIC REACTION.
  PEREZ DE CUELLAR STILL FELT THAT ROS WANTED AN AGREEMENT: HENCE
  HIS REACTION OF DISAPPOINTMENT RATHER THAN ANGER. PEREZ DE
  CUELLAR WAS THINKING (HE HAD NOT DECIDED) OF TELEPHONING HAIG
  TO SEE IF HAIG COULD BRING LAST MINUTE PRESSURE TO BEAR ON THE
  ARGENTINES TO ACCEPT OUR PROPOSALS AS THEY WERE. HE WOULD NOT
  OF COURSE COMMUNICATE WITH ANYONE ELSE IN THE US ADMINISTRATION
  FOR REASONS WITH WHICH WE WERE BOTH FAMILIAR.
- 6. I HAD ASKED FOR THIS PRIVATE MEETING AND WENT ON TO EXPLAIN WHY. I SAID THAT I HAD REALISED FROM AHMED'S ATTITUDE THAT MORNING THAT OUR TACTICS HAD MADE IT DIFFICULT FOR THE SECRETARY-GENERAL TO END THE AFFAIR BY PRODUCING HIS OWN PAPER (PEREZ DE CUELLAR SAID THAT I SHOULD NOT BOTHER ABOUT AHMED'S MANNER: HE HAD BEEN TRAINED BY WALDHEIM TO BARK EVEN WHEN THE SECRETARY-GENERAL WAS NOT IN DANGER). HE ADMITTED THAT THIS WAS A PROBLEM. HE FELT THAT IT WOULD BE INADEQUATE FOR HIM SIMPLY TO END UP HAVING TRANSMITTED PROPOSALS FROM ONE SIDE TO ANOTHER WITHOUT DEMONSTRATING THAT HE HAD TAKEN ANY INITIATIVE HIMSELF.

SIDE TO ANOTHER WITHOUT DEMONSTRATING THAT HE HAD TAKEN ANY INITIATIVE HIMSELF.

OF THE STATUS AND CONDITIONS OF OUR REPLY, HE WOULD KNOW THAT ANY 'MEDIAN' PAPER WOULD BE UNACCEPTABLE TO US. IF EVERYTHING BECAME PUBLIC - I HAD ALREADY TOLD HIM THAT WE WOULD HAVE TO PUBLISH OUR PAPER - TWO THINGS WOULD HAPPEN:

(1) I WOULD HAVE TO DISMEMBER HIS PAPER IN PUBLIC:

(11) MY MINISTERS WOULD LOSE CONFIDENCE IN HIM SINCE THEY WOULD

BELIEVE THAT HE HAD PUT DOWN HIS PAPER IN ORDER EITHER TO WRONG-FOOT US OR TO COVER HIMSELF AGAINST CRITICISM.

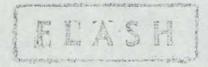
PERSONALLY MY ONLY RESERVATION ABOUT (1) ABOVE WAS THAT, FOR REASONS OF OUR FRIENDSHIP, I DID NOT WANT TO HAVE TO CRITICISE HIM IN PUBLIC. THE POLITICAL EMBARRASSMENT TO ME WAS SECONDARY.

I WOULD HAVE ENOUGH ON MY PLATE IN THE SECURITY COUNCIL FOR THIS TO BE A COMPARATIVELY MINOR ELEMENT. I WAS MUCH MORE WORRIED ABOUT (11) ABOVE. I KNEW THAT YOU AND THE PRIME MINISTER HAD A HIGH OPINION OF HIM AND I FELT SURE THAT WE WOULD NEED HIM AGAIN, NOT ONLY OVER THE FALKLANDS BUT OVER OTHER MATTERS. A CRISIS OF CONFIDENCE BETWEEN HMG AND THE SECRETARY-GENERAL WAS THEREFORE TO BE AVOIDED IF AT ALL POSSIBLE.

8. PEREZ DE CUELLAR SAID THAT HE UNDERSTOOD EXACTLY WHAT I MEANT AND APPRECIATED MY SPEAKING SO FRANKLY. HE WOULD NOT PUT FORWARD A PAPER OF HIS OWN. WHAT HE WAS NOW THINKING OF DOING, IN THE LIGHT OF MY REMARKS, WAS TO PUT FORWARD SOME ORAL PROPOSALS WHICH HE KNEW WOULD BE UNACCEPTABLE TO BOTH (UNDERLINED) SIDES. HE HAD NOT DECIDED ON THIS, BUT HE SIMPLY COULD NOT LET THE NEGOTIATIONS PETER OUT WITHOUT ANYTHING COMING FROM HIM.

9. FOR THE MOMENT WE LEFT IT AT THAT. I WILL BE PURSUING THIS WITH URQUHART (TO WHOM I HAVE ALREADY SPOKEN) IN STRICT PRIVACY TODAY. URQUHART HAD SUGGESTED TO ME THAT THE SECRETARY-GENERAL MIGHT FINISH UP WITH AN EMOTIONAL APPEAL. I TOLD HIM THAT, IF THIS AMOUNTED TO AN APPEAL TO BOTH SIDES TO CEASE HOSTILITIES, IT WOULD RECEIVE A FIRM AND IMMEDIATE RESPONSE FROM ME. URQUHART TOOK THE POINT, AND WE AGREED TO DISCUSS THE BEST WAY OUT OF THIS DIFFICULT DILEMMA TODAY (18 MAY).

PARSONS



Argentinie SECRET FCO SITREP (DETAILED VERSION): FALKLAND ISLANDS: 07.00 HRS, 18 MAY 1982 UNITED NATIONS Sir Anthony Parsons' Meeting with the U N Secretary-General In the view of Sir Anthony Parsons, this meeting went as well as, and perhaps better, than could have been UKMIS New York expected, confirming the judgment that our position would be telno 765 to FCO regarded as basically reasonable in the event of a break-down of 17 May in the negotiations. Summarising the view from London, Sir Anthony said that the only fully just solution would be Argentine withdrawal, restoration of the status quo and resumption of negotiations; the U K had shown great flexibility, not fully matched by Argentina, in the various rounds of negotiations. introduced the Draft Interim Agreement as the 'bottom line' for H M Government, representing a consolidation of points put to the Secretary-General in the last few days. asking the Secretary-General to convey it to the Argentines, he explained that any appeals for further time beyond 12 noon New York time on 19 May or any proposals for substantive amendment would be interpreted as rejection (although he later explained that we would be prepared to look at miniscule changes). In the course of Sir Anthony's more detailed exposition the Secretary-General seemed reassured on possible Security Council problems over requirements to implement Article 6(4) [verification of withdrawal]; he mentioned that Ros had not objected to the notion that U S help would be indispensable for verification. In his initial reaction to the Draft the Secretary-General said that he would not pass judgment immediately but expressed concern 'as a Latin American' about presenting the Draft to the Argentines on a take it or leave it basis as a He undertook to consider Sir Anthony's British draft. suggestion that although presenting it as a British draft, he should say that the deadline had been imposed by him (the Continuing the discussion in private Secretary-General). (in the course of which Sir Anthony handed over the letter on the Dependencies) the Secretary-General said in confidence that he thought our Draft was perfectly reasonable; he had had indications that the Argentines were getting a bit desperate and might genuinely want an agreement to save them-, selves from the ultimate humiliation of the British recapturing the islands. Sr Ros' Meeting with the Secretary-General The Secretary-General undertook to transmit the British Draft and the deadline to Sr Ros on the afternoon of 17 May. JKMIS New York Sir Anthony Parsons was confident that the Secretary-General telno 765 to FCO would make the most, for tactical reasons, of the effect of of 17 May - paras last week's negotiations on our position in order to enable 3 and 9. Ros to report to his Government that they were not simply being confronted with a British ultimatum. /6. SECRET

#### SECRET

KMIS New York elno 766 to FCO f 17 May ara 1

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Leaving the U N after meeting the Secretary-General Ros told the press that he had been informed of the latest British position and would consult his Government and bring back the answer. There has been no further account from UKMIS of this meeting nor of any further meeting between the Secretary-General and Sir Anthony Parsons.

# Presentation/Press Aspects

In his meeting with the Secretary-General Sir Anthony confirmed that the Draft Interim Agreement was to be treated as confidential and that he would not admit to setting a f 17 May - para 4 deadline. Following Ros' meeting with the Secretary-General media enquiries to UKMIS centered on whether the U K had now set out a final position and a deadline; but UKMIS continued to hold the line as best they could. A statement issued in the evening by the Secretary-General also avoided mention of the Draft Agreement or the deadline but underlined the need for urgency.

## EUROPEAN COMMUNITY

After difficult negotiations EC Foreign Ministers agreed in Luxembourg to arrangements ensuring that the embargo on the import of Argentine goods would continue until 24 May inclusive. Seven member States will continue to apply original Regulation of 16 April for seven days; Ireland and Italy will not continue to apply this Regulation but will urgently consult the Commission under Article 225 in order to prevent market distortion; Denmark will apply the 16 April Regulation initially, pending introduction of Danish national measures under Article 224. discussions Cheysson (France) strongly advocated extending the embargo and was supported by the FRG, Netherlands; Greek, Belgian and Luxembourg Ministers. Collins (Ireland) had instructions to consult Dublin when he had gauged the feel of the meeting. Olesen (Denmark) favoured extension of the embargo but considered it was a matter for implemention by national action under Article 224, not Community action under Article 113. Colombo (Italy) initially refused to endorse an extension of the embargo on the grounds of domestic criticism and the fact that many Argentines were of The Article 225 compromise was Italian extraction. suggested by the Commission and agreed to towards midnight after an adjournment of 90 minutes.

#### NATO

E uxembourg telno 49 to FCO of 7 May

In the super-restricted session of the North Atlantic Council Ministerial meeting in Luxembourg, all speakers including the Foreign Ministers of the USA, Portugal, FRG, France, Italy and Norway expressed solidarity with the U K. Haig spoke of the importance of the principle of resisting aggression, adding that the U S supported the U K despite the cost to itself and possible dangers to U S citizens in . Latin America.

SECRET COMMENT 10. No immediate action is required on the negotiations in New York. The Argentine reactions to the UK draft (or alternative proposals of their own) is expected to be given to the Secretary-General today. The Secretary-General's position on the 'deadline' has been helpful: but this is already the subject of considerable press speculation. Although it has been agreed that EC sanctions should continue for a further seven days, the divisions in the Community on this question are now apparent: and the Italians and the Irish have effectively freed their hands. The prospects for a further renewal on 24 May is likely to depend on developments in the New York negotiations. P R Fearn Emergency Unit 18 May 1982 SECRET

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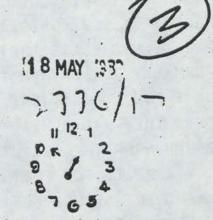
SECRET

ROM UKH IS NEW YORK 172149Z MAY 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 765 DATED 17 MAY 82

INFO IMMEDIATE WASH INGTON



YOUR TELSNOS 415 -417: FALKLANDS: INTER IM AGREEMENT

- 1. I SAW THE SECRETARY-GENERAL AT 1600Z TODAY (17 MAY).
- 2. I DESCRIBED THE CONSULTATIONS OVER THE WEEKEND IN LONDON AND AT CHEQUERS. I SUMMARISED THE VIEW FROM LONDON AS FOLLOWS. THE UK HAD BEEN THE VICTIM OF AGGRESSION. BEFORE WE UNDERTOOK MILITARY OPERATIONS UNDER ARTICLE 51, ARGENTINA HAD HAD AMPLE GPPORTUNITY TO COMPLY WITH SCR 502. THERE WAS ONLY ONE FULLY JUST SOLUTION TO THE CRISIS, VIZ. ARGENTINE WITHDRAWAL, RESTORATION OF THE STATUS QUO ANTE AND RESUMPTION OF DIPLOMATIC HEGOTIATIONS. BUT WE HAD NEVERTHELESS TAKEN PART IN GOOD FAITH IN THREE ROUNDS OF NEGOTIATION WITH HAIG, TWO WITH PRESIDENT BELAUNDE AND AN EXTENDED ROUND WITH THE SECRETARY-GENERAL, FOR WHOSE EFFORTS HM GOVERNMENT WERE DEEPLY GRATEFUL. IN THESE NEGOTIATIONS THE UK HAD SHOWN GREAT FLEXIBILITY IN THE INTERESTS OF A PEACEFUL SOLUTION. WE HAD ACCEPTED THE NON-REINTRODUCTION OF BRITISH ADMINISTRATION: A SHORT INTERIM PERIOD WITH A TARGET DATE FOR A FINAL SETTLEMENT: A UN INTERIN ADMINISTRATION: THE PUTTING OF SOVEREIGNTY ON ONE SIDE ALTHOUGH OUR POSITION REMAINED UNCHANGED: PARALLEL WITHDRAWAL: THE INTRODUCTION OF TWO ARGENTINE REPRESENTATIVES INTO THE COUNCILS, THUS BLURRING THE NATURE OF ISLANDER PARTICIPATION IN THE INTER IN ADMINISTRATION (I ADDED THAT TWO ARGENTINES SHOULD STATISTICALLY ENTITLE THE. ISLANDERS TO 120 REPRESENTATIVES): VERIFICATION BY THE UN NOT THE UK: AND OFFICIAL ARGENTINE OBSERVERS. THESE WERE MAJOR CONCESSIONS: WE COULD MAKE NO MORE. ALL THAT ARGENTINA HAD OFFERED IN RESPONSE WAS A MATCHING UNDERTAKING (IF IT COULD BE BELIEVED) TO PUT SOVEREIGNTY ON ONE SIDE, AND CONDITIONAL AGREEMENT TO WITHDRAW, WHICH COULD HARDLY BE REGARDED AS A CONCESSION WHEN ARGENTINA WAS THE AGGRESSOR: WITHDRAWAL, FOR AN AGGRESSOR, WAS AN OBLIGATION NOT A CONCESSION.

3. AGAINST THIS BACKGROUND, MINISTERS HAD, WITH GREAT DIFFICULTY, AGREED TO AUTHORISE HE TO PUT FORWARD THE DRAFT INTERIM AGREEMENT IN YOUR TELNO 416. THIS REPRESENTED THE "BOTTOM LINE" FOR HM GOVERNMENT. WE COULD NOT ACCEPT ANY AMENDMENTS TO IT. IT REPRESENTED A CONSOLIDATION OF THE VARIOUS POINTS I HAD PUT TO PEREZ DE CUELLAR DURING THE LAST FEW DAYS. I WAS INSTRUCTED FORMALLY TO ASK HIM TO CONVEY IT TO THE ARGENTINES AS THE UK'S FINAL POSITION. THE NEGOTIATIONS COULD NOT BE ALLOWED TO DRAG ON: THEY HAD ALREADY BEEN GOING FOR 6 WEEKS. WE REQUIRED A REPLY FROM THE ARGENTINES BY 12 NOON NEW YORK TIME ON 19 MAY. ANY APPEALS FOR FURTHER TIME, OR ANY PROPOSALS FOR SUBSTANTIVE AMENDMENT, WOULD BE INTERPRETED AS REJECTION OF OUR PROPOSALS. 4. PEREZ DE CUELLAR ASKED WHETHER THE DRAFT WAS TO BE TREATED AS CONFIDENTIAL. I SAID YES. I DID NOT KNOW WHAT CHANCES THERE WERE OF ARGENTINE ACCEPTANCE, BUT IF THE EXISTENCE OF THE DOCUMENT, OR THE EXISTENCE OF A DEADLINE, WAS LEAKED, THAT COULD BE THE END OF THE EXERCISE. IN MY OWN CONTACTS WITH THE PRESS, I WOULD NOT ADMIT THAT A DEADLINE EXISTED, BUT WOULD CONTINUE TO TALK ABOUT THIS BEING "A MATTER OF DAYS NOT WEEKS". PEREZ DE CUELLAR ASKED WHETHER WE COULD NOT ACCEPT MINOR AMENDMENTS WHICH MIGHT HELP THE ARGENTINES TO SAVE FACE. I REPEATED THAT REQUESTS FOR MORE TIME OR SUBSTANTIVE CHANGES (OR NO RESPONSE AT ALL FROM THE ARGENTINES) WOULD BE INTER-PRETED AS REJECTION. IF THEY WERE TO PROPOSE MINISCULE CHANGES, WE WOULD HAVE TO LOOK AT THEM. BUT NOT ONE WORD OF SUBSTANCE COULD BE CHANGED. THE EXISTING DRAFT WOULD ALREADY BE EXTREMELY DIFFICULT TO DEFEND IN PARLIAMENT.

5. I THEN WENT THROUGH THE DRAFT ARTICLE BY ARTICLE, MENTIONING THAT IT EXCLUDED THE DEPENDENCIES, LAYING PARTICULAR STRESS ON THE REFERENCES TO ARTICLE 73 IN THE PREAMBULAR PARAGRAPHS AND IN ARTICLE 6(3), AND ON OUR ASSUMPTION THAT TO MEET THE REQUIRMENTS OF ARTICLE 6(4) THERE WOULD HAVE TO BE A CREDIBLE PRESENCE OF 150-200 MEN IN THE ISLANDS, INCLUDING A SIGNIFICANT CONTINGENT FROM THE USA, WHO WOULD ALSO PROVIDE AERIAL SURVEILLANCE. PEREZ DE CUELLAR WONDERED WHETHER THE SECURITY COUNCIL WOULD AGREE TO THIS. I SAID THAT WE HAD DELIBERATELY NOT REFERRED TO A "PEACEKEEPING FORCE": THERE WERE PRECEDENTS FOR US (AND SOVIET) PARTICIPATION IN UN OBSERVER FORCES. PEREZ DE CUELLAR SEEMED REASSURED BY THIS: HE SAID THAT HE HAD ONCE MENTIONED TO RCS THAT AMERICAN HELP WOULD BE INDISPENSABLE FOR VERIFICATION AND ROS HAD NOT OBJECTED. I ALSO SAID UNDER ARTICLE 7 THAT WE COULD NOT ACCEPT ANY CHANGE IN THE STATUS QUO IN THE ISLANDS DURING THE INTERIM PERIOD. I RECOGNIZED THAT THE ARGENTINES WOULD NOT LIKE APTICIFC D AND D DUT

WAS ESSENTIAL FOR US, AND WE COULD NOT GO FURTHER THAN THIS LANGUAGE.

S. PEREZ DE CUELLAR SAID THAT HE WOULD NOT PASS JUDGMENT MEDITTELY. HIS WORRY, AS A LATIN AMERICAN, WAS THAT WHEN HE PRESENTED THE DRAFT AS A BRITISH DRAFT TO THE ARGENTINES ON A TAKE IT OR LEAVE IT BASIS, THEY WOULD INEVITABLY REJECT IT. HE WONDERED. INKING ALOUD, WHETHER HE COULD PRESENT IT AS HIS DRAFT IE AS SOMETHING WHICH, AFTER CONSULTING ME, HE JUDGED WAS THE DURTHEST THE UK COULD GO. I SAID THAT THE DIFFICULTY WITH THIS WAS THAT, WHETHER THE ARGENTINES ACCEPTED OR REJECTED THE DRAFT, WE WOULD HAVE TO PUBLISH IT AND THIS WOULD PUT HIM IN A FALSE POSITION. HE THANKED ME FOR WARNING HIM OF THIS PITFALL. I SUGGESTED THAT HE SHOULD PRESENT THE DRAFT AS A BRITISH DRAFT WHICH CONSOLIDATED THE POINTS I HAD BEEN PUTTING TO HIM AND WHICH WOULD HAVE BEEN VERY DIFFERENT WITHOUT THE LAST WEEK'S NEGOTIATIONS. HE COULD GO ON TO BAY THAT THE DEADLINE OF 12 NOON ON WEDNESDAY WAS ONE THAT HE HAD IMPOSED, IN ORDER TO PREVENT HIS EFFORT DRAGGING ON INDEFINITELY. HE INDICATED THAT HE WOULD THINK ABOUT THIS HE HAD NO PROBLEMS OVER THE WEDNESDAY DEADLINE. RAFEE AHMED THEN MADE A CHARACTERISTICALLY UNHELPFUL INTERVENTION ABOUT THE DAMAGE TO PEREZ DE CUELLAR'S IMAGE AT THE UN IF HE WERE TO "'ACT AS A POSTMAN" CONVEYING AN "'UNREASONABLE ULT IMATUM" FROM ONE SIDE TO THE OTHER: PEREZ DE CUELLAR WOULD HAVE TO RETAIN THE FREEDOM TO REPORT IN DUE COURSE TO THE SECURITY COUNCIL THAT THE BRITISH POSITION HAD BEEN UNREASONABLE. I SAID VERY FIRMLY THAT IF PEREZ DE CUELLAR WERE TO SAY ANY SUCH THING TO THE COUNCIL, THERE WOULD BE NO QUESTION OF HIS PLAYING ANY ROLE AT ANY SUBSEQUENT STAGE IN THIS CRISIS. PEREZ DE CUELLAR SIMPLY IGNORED AHMED'S INTERVENTION.

7. AT THIS POINT, PEREZ DE CUELLAR ASKED ME TO SEE HIM PRIVATELY. I GAVE HIM THE SIDE LETTER ABOUT THE DEPENDENCIES. I SAID THAT IT WAS ESSENTIAL THAT WE AVOID THIS SUBJECT CROPPING UP IN THE CONTEXT OF WITHDRAWAL. THERE WAS NO QUESTION OF OUR LEAVING SOUTH GEORGIA. I TOLD HIM CONFIDENTIALLY THAT WE WERE BRINGING BILATERAL PRESSURE TO BEAR TO PERSUADE THE ARGENTINES TO DROP THIS QUESTION. HE THOUGHT THAT IT MIGHT BE A PROBLEM. I AGREED BUT SAID THAT, IN VIEW OF THE CAPTAIN ASTIZ AFFAIR, THE ARGENTINES MIGHT CONCLUDE THAT THE LESS SAID ABOUT SOUTH GEORGIA THE BETTER.

8. PEREZ DE CUELLAR THEN WENT ON TO SAY THAT, BETWEEN OURSELVES, HE THOUGHT THAT OUR PAPER WAS PERFECTLY REASONABLE AND HE APPRECIATED THE EFFORT WE HAD MADE. HE PARTICULARLY ADMIRED THE DRAFTING OF PARAGRAPH 6 (3). HE ALSO HAD SOME INDICATIONS THAT THE ARGENTINES WERE BEGINNING TO GET A BIT DESPERATE,

...... WERE DESIRATING TO GET A BIT DESPERATE, AND MIGHT GENUINELY WANT TO GET AGREEMENT WITH US. HIS FEELING WAS THAT THEY THOUGHT THAT WE COULD RECAPTURE THE ISLANDS WITHOUT MUCH DIFFICULTY AND THAT THE ONLY WAY TO SAVE THEMSELVES FROM THIS ULTIMATE HUMILIATION WOULD BE TO GET AN AGREEMENT BEFORE IT HAPPENED. HE WOULD SEE RCS THIS AFTERNOON AND WOULD TRANSMIT OUR DRAFT WITH THE DEADLINE: HE TOO WAS CONVINCED THAT HE COULD NOT LET THINGS DRAG ON BEYOND WEDNESDAY. IT WOULD BE INTERESTING TO SEE IF ROS CAME UP WITH SUBSTANTIAL CHANGES IN THE ARGENTINE POSITION (ROS'S PRINCIPAL DEPUTY HAD BEEN BACK TO BUENOS AIRES OVER THE WEEKEND). HE MIGHT WELL ASK ME BACK FOR A SECOND PRIVATE MEETING LATER THIS EVENING. 9. TO SUM UP, THIS FIRST ROUND WENT AS WELL AS COULD HAVE BEEN EXPECTED, PERHAPS BETTER. PEREZ DE CUELLAR'S INITIAL REACTION SUGGESTED THAT OUR JUDGEMENT ON 16 MAY THAT OUR POSITION WOULD BE REGARDED AS BASICALLY REASONABLE IF THE BREAK COMES, WAS WELL FOUNDED. IT WAS ENCOURAGING THAT HE WAS AS FIRM AS MYSELF THAT THE NEGOTIATIONS MUST BE BROUGHT TO A CONCLUSION ONE WAY OR THE OTHER BY LUNCHTIME WEDNESDAY. I THINK I CAN TRUST HIM TO DEAL WITH AHMED'S MALEVOLENCE. I THINK WE CAN EXPECT PEREZ DE CUELLAR IN SPEAKING TO ROS TO MAKE THE MOST FOR TACTICAL REASONS, OF THE EFFECT OF LAST WEEK'S NEGOTIATIONS ON OUR POSITION IN ORDER TO ENABLE ROS TO REPORT TO HIS GOVERNMENT THAT THEY ARE NOT BEING CONFRONTED SIMPLY WITH AN UNALLOYED BRITISH ULTIMATUM WHICH COULD HAVE BEEN PUT FORWARD AT ANY TIME DURING THE PAST TEN DAYS: BUT THAT THE PROCESS OF NEGOTIATION UNDER PEREZ DE CUELLAR'S AEGIS HAS HAD ITS EFFECT ON US.

PARSONS

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CONTIDENTIAL

JAM NEW YORK 172218Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 766 OF 17 MAY

AND TO IMMEDIATE EMERGENCY UNIT

INFO IMMEDIATE WASHINGTON.

17 MAY 1982



FOR NEW DEPARTMENT.

FALKLANDS: PRESS LINE.



- 1. RCS LEFT THE UN AT APPROXIMATELY 2188Z AND TOLD THE PRESS THAT HE HAD BEEN INFORMED OF THE LATEST BRITISH POSITION: WOULD CONSULT HIS GOVERNMENT: AND WOULD BRING BACK THEIR ANSWER.
- 2. THIS PROVOKED A FRESH WAVE OF ENQUIRIES TO THIS MISSION. IN PARTICULAR, MICHAEL COLE (BBC TV NEWS) ASKED WHETHER WE HAD NOW SET OUT OUR FINAL POSITION, AND HAD ATTACHED A DEADLINE FOR THE ARGENTINE REPLY (EG OF 48 HOURS). OTHERS HAVE PUT ESSENTIALLY THE SAME QUESTION TO US, THOUGH LESS PRECISELY WORDED. WE HAVE SPOKEN ON THE FOLLOWING LINES:
- (A) AT ALMOST EVERY MEETING WITH THE SECRETARY-GENERAL, ROS HAS BEEN INFORMED IN BROAD TERMS OF THE LATEST BRITISH POSITION AND ASKED TO BRING BACK HIS GOVERNMENT'S REACTIONS TO IT. AS IN THE LAST WEEK'S HEETINGS, I DISCUSSED THE MAJOR PROBLEMS NOW ON THE TABLE WITH THE SECRETARY-GENERAL THIS MORNING, AND REACTED TO POINTS HE HAD RAISED WITH ME ABOUT THEM. IN THE NATURE OF THESE NEGOTIATIONS, HIS NEXT STEP WOULD BE TO PUT FURTHER POINTS TO MR ROS. WE IN TURN WOULD BE INTERESTED TO HEAR WHETHER, AFTER A WEEKEND OF REFLECTION, MR ROS HAD HAD ANYTHING NEW TO SAY ABOUT THE ARGENTINE POSITION.
- (B) PRACTICALLY EVERY DAY FOR THE LAST THREE WEEKS WE HAD BEEN ASKED TO COMMENT ON SPECULATION ABOUT A BRITISH DEADLINE OR ULTIMATUM. AS WE HAVE REPEATEDLY POINTED OUT, THE BRITISH GOVERNMENT DID NOT SET A TIME LIMIT FOR THE SECRETARY-GENERAL'S TALKS: BUT THE URGENCY OF THE SEARCH FOR A SETTLEMENT HAS BEEN PLAIN FOR ALL TO SEE AND SELF-EVIDENTLY INCREASES WITH EVERY DAY THAT PASSES. AS I AND THE SECRETARY-GENERAL HAVE SAID, WE DO NOT SEE THESE AS AN ENDLESS SERIES OF NEGOTIATIONS.

- (C) IN RECENT REMARKS TO THE PRESS, THE SECRETARY-GENERAL HAS
  INDICATED THAT IN HIS VIEW THE NEGOTIATIONS ARE MOVING INTO THE
  CULMINATING PHASE. HE WILL PRESUMABLY MAKE A JUDGEMENT AT SOME
  POINT ON WHAT HE CONSIDERS TO BE THE FINAL POSITIONS OF THE
  PARTIES.
- (D) THE BROAD PRINCIPLES UNDERLYING THE BRITISH POSITION FCR EXAMPLE, THE IMPORTANCE OF PROTECTING THE WAY OF LIFE AND FREEDOM OF EXPRESSION OF THE ISLANDERS, AND OUR REFUSAL TO ENTERTAIN PRECONDITIONS ON SOVEREIGNTY HAVE BEEN MAINTAINED CONSISTENTLY THROUGHOUT THIS AND PREVIOUS NEGOTIATIONS. THOSE PRINCIPLES HAVE NOT BECOME HARDER OR SOFTER AS A RESULT OF THE WEEKEND'S TALKS IN LONDON. MINISTERS HAVE REVIEWED THE CURRENT STATE OF NEGOTIATIONS IN GREAT DETAIL, AND IN THE LIGHT OF THAT HAVE INSTRUCTED ME TO CONTINUE TO MAKE EVERY EFFORT URGENTLY TO ACHIEVE A NEGOTIATED SETTLEMENT, IF THAT IS ATTAINABLE.
- 3. WE SHALL CONTINUE TO HOLD THIS LINE AS BEST WE CAN, THOUGH THE PRECISION OF COLE'S QUESTION IMPLIED THAT HE MAY HAVE BEEN PROMPTED TO ASK IT BY HIS COLLEAGUES IN LONDON, WHO WE UNDERSTAND ARE SPECULATING ON SIMILAR LINES.
- 4. THE ABC CORRESPONDENT AT THE UN ASKED US THIS AFTERNOON TO CONFIRM A STORY WHICH REACHED HIM FROM WASHINGTON VIA BUENOS AIRES, TO THE EFFECT THAT THE AMERICANS HAD BEEN ASKED TO PROVIDE A GUARANTEE AGAINST THE REINTRODUCTION OF ARGENTINE FORCES. WE REPLIED THAT IT WAS CLEARLY OF VITAL IMPORTANCE TO US THAT ANY NEGOTIATED SETTLEMENT SHOULD HOLD, AND THAT WE SHOULD NOT FACE A REPETITION OF THE UNILATERAL ARGENTINE ACTION OF 2 APRIL: BUT THAT WE COULD NOT SAY WHETHER THIS POINT HAD YET BEEN COVERED IN DETAIL IN THE NEGOTIATIONS, AND, IF SO, IN WHAT WAY.

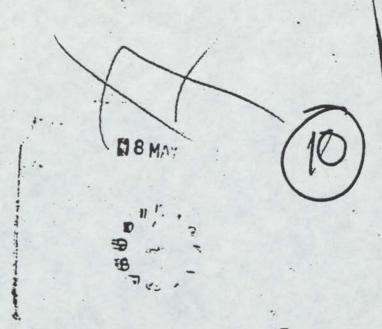
PARSONS

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OM UKMIS NEW YORK 188817Z MAY 82 ELEGRAM NUMBER 768 DATED 17 MAY 82 IMMEDIATE F C O NFO WASH INGTON



1. THE SECRETARY-GENERAL ISSUED THE FOLLOWING STATEMENT ON THE FOR NEWS DEPARTMENT

AS YOU KNOW, SIR ANTHONY PARSONS RETURNED FROM LONDON THIS EVENING OF 17 MAY: MORNING AND IMMEDIATELY INFORMED ME OF THE BRITISH POSITION AS DEFINED DURING THE INTENSIVE CONSULTATIONS HE HAD WITH HIS

THIS AFTERNOON I CONVEYED TO VICE MINISTER ROS THE INFORMATION GOVERNMENT OVER THE WEEKEND.

YOU WILL UNDERSTAND THAT UNTIL I HEAR FROM THE PARTIES I HAVE NOTHING TO ADD EXCEPT THAT I AM MORE THAN EVER CONVINCED THAT I HAD RECEIVED. TIME IS NOT ON THE SIDE OF PEACE. THEREFORE EFFORTS TO FIND A PEACEFUL SOLUTION WILL BE PURSUED WITH VIGOUR. THE NEXT FEW DAYS WILL BE DECISIVE.

PAR SONS

HHHN

OO LUXEMBOURG DESKBY 180600Z

GRS 1051

CONFIDENTIAL

DESKBY 180600Z

FM FCO 180130Z MAY 82

TO IMMEDIATE LUXEMBOURG

TELEGRAM NUMBER 56 OF 18 MAY

INFO IMMEDIATE WASHINGTON, UKMIS NEW YORK, OTTAWA, CANBERRA,
WELLINGTON, OSLO, UKDEL NATO, EC POSTS.

FALKLANDS: EUROPEAN COMMUNITY EMBARGO

SUMMARY

- 1. AFTER THREE AND A HALF HOURS OF DISCUSSIONS IN THE MARGINS OF THE NATO FOREIGN MINISTERS MEETING IN LUXEMBOURG ON 17 MAY, FOREIGN MINISTERS OF THE TEN AGREED ON THE FOLLOWING ARRANGE-MENTS WHICH TAKEN TOGETHER ENSURE THAT THE EMBARGO ON IMPORTS OF ARGENTINE GOODS INTO COMMUNITY COUNTRIES WILL CONTINUE UNTIL 24 MAY INCLUSIVE:
- (A) THE COMMUNITY REGULATION OF 16 APRIL WILL BE EXTENDED FOR 7 DAVS AND 7 MEMBER STATES WILL CONTINUE TO APPLY IT:
- (B) ITALY AND IRELAND, ACTING ON THE BASIS OF ARTICLE 224 OF THE TREATY OF ROME, WILL NOT CONTINUE TO APPLY THIS REGULATION, BUT WILL UROENTLY CONSULT THE COMMISSION UNDER ARTICLE 225 IN ORDER TO PREVENT MARKET DISTORTION:
- (C). DENMARK WILL CONTINUE TO APPLY THE COMMUNITY REGULATION OF 16 APRIL PENDING THE INTRODUCTION OF EQUIVALENT DANISH NATIONAL MEASURES UNDER ARTICLE 224.

  DETAIL
- 2. FOR THE UK, I DESCRIBED THE SITUATION AS I HAD EARLIER TO NATO COLLEAGUES. THIS WEEK WOULD BE CRUCIAL FOR THE SUCCESS OR FAILURE OF THE UN SECRETARY GENERAL'S EFFORTS. FAILURE TO EXTEND THE EMBARGO WOULD ONLY REDUCE THE CHANCES FOR THE PEACEFUL SOLUTION WHICH BRITAIN HOPED FOR NO LESS THAN THE REST OF THE TEN.
- 3. CHEYSSON (FRANCE) SPOKE STRONGLY IN SUPPORT. THE REASONS WHICH HAD LED THE TEN TO IMPOSE SANCTIONS AGAINST ARGENTINA WERE NO LESS VALID THAN A MONTH AGO. TO LIFT THEM NOW WOULD (A)

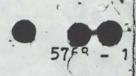
IMPLY THAT THEY SHOULD NOT HAVE BEEN IMPOSED, (B) LEAD OTHERS TO FOLLOW SUIT, (C) RISK CAUSING THE NEGOTIATIONS IN NEW YORK TO FAIL BY ALTERING A KEY PARAMETER AT A KEY MOMENT. CHEYSSON WAS GLAD THAT FRANCE WAS NOT ONE OF THE COUNTRIES WHICH WAS EVEN HESITATING OVER WHETHER TO EXTEND THE EMBARGO.

- 4. GENSCHER (FRG) CONFINED HIMSELF TO SUBSCRIBING TO EVERY-THING THAT CHEYSSON HAD SAID.
- 5. VAN DER STOEL (NETHERLANDS) TOO WAS BRIEF: TO LIFT THE EMBARGO NOW WOULD UNDERMINE THE CHANCE OF THE NEGOTIATIONS SUCCEEDING AND THE CONSEQUENCES COULD BE VERY GRAVE.
- 6. HARALAMBOPOULOS (GREECE) UNRESERVEDLY ASSOCIATED HIMSELF WITH CHEYSSON'S REMARKS. BOTH PRINCIPLE AND CONSISTENCY REQUIRED THE EMBARGO TO BE EXTENDED FOR THE SAME REASONS AS HAD LED TO ITS IMPOSITION.
- 7. COLLINS (IRELAND) SAID HIS INSTRUCTIONS WERE TO TELEPHONE DUBLIN WHEN HE GOT A FEEL OF THE MEETING, AND THIS WAS WHAT HE PROPOSED TO DO.
- 8. THUYSBAERT (BELGIUM) ADDED COMMUNITY SOLIDARITY TO THE REASONS ALREADY GIVEN FOR EXTENDING THE EMBARGO.
- .9. MME FLESCH (LUXEMBOURG) ALSO CONCURRED.
- DISTINCTION BETWEEN TREATY AND NON- TREATY ACTIVITIES. THEY
  WERE IN FAVOUR OF EXTENDING THE EMBARGO, BUT THE RIGHT WAY TO DO
  THIS WAS BY A DECISION IN POLITICAL COOPERATION (WHICH COULD BE
  TAKEN AT ONCE IF THERE WAS A CONSENSUS) FOLLOWED BY NATIONAL
  ACTION UNDER ARTICLE 224, NOT COMMUNITY ACTION UNDER ARTICLE 113.
  DENMARK'S AGREEMENT TO THE USE OF ARTICLE 113 LAST TIME HAD BEEN
  EXCEPTIONAL AND COULD NOT BE REPEATED. THIS WAS NOT A LEGALISTIC QUIBBLE BUT A CONSIDERED POSITION BASED ON LONG DISCUSSIONS
  IN THE DANISH GOVERNMENT AND PARLIAMENT.
- 11. COLOMBO, AFTER A STIRRING PREAMBLE, SAID THAT HE WAS NOT IN A POSITION TO ENDORSE THE EXTENSION OF THE EMBARGO: IT HAD CAUSED GREAT CRITICISM AND DISQUIET, NOT LEAST BECAUSE A LARGE PART OF THE ARGENTINE POPULATION WAS OF ITALIAN ORIGIN.
- 12. AFTER THIS FIRST TOUR DE TABLE, DISCUSSION DEVELOPED ROUND THE QUESTION HOW TO GIVE EFFECT TO THE CLEAR MAJORITY WISH TO

CONTINUE THE EMBARGO WHILE SOMEHOW TAKING ACCOUNT OF THE DANISH, ITALIAN AND IF NECESSARY IRISH SPECIAL POSITIONS. COLLINS REPEATED AT INTERVALS THAT UNTIL HE HAD TELEPHONED DUBLIN THERE WAS NO IRISH POSITION. TINDEMANS (PRESIDENCY) GAVE A STRONG BUT NOT ALWAYS WELL-JUDGED LEAD.

- IT WAS THORN (COMMISSION) WHO PRODUCED THE IDEA OF A 13. SHORT EXTENSION IN ORDER TO PREVENT A LEGAL VOID AND ALLOW TIME FOR DENMARK AND OTHERS TO SWITCH FROM COMMUNITY TO NATIONAL MEASURES. CHEYSSON LATCHED ON TO THIS ON THE GROUNDS THAT THE UN SECRETARY GENERAL HIMSELF HAD SAID THAT HIS INITIATIVE WOULD BE LIKELY TO COME TO AN END ONE WAY OR ANOTHER IN THE NEXT FEW DAYS. ORIGINALLY AN EXTENSION OF 6 DAYS WAS MENTIONED, BUT THIS WAS LENGTHENED TO 7 AFTER IT HAD BEEN POINTED OUT THAT FOREIGN MINISTERS OF THE TEN WOULD BE MEETING AGAIN ANYWAY ON 24 MAY. COLOMBO CAME UNDER STRONG PRESSURE, WHICH EVIDENTLY CAUSED HIM SOME DISTRESS: HE RESPONDED THAT HIS OWN RECORD ON EUROPEAN SOLIDARITY SPOKE FOR ITSELF AND THAT THIS WAS NOT THE ONLY ISSUE WHERE THE COMMUNITY'S IMAGE WAS IN DANGER OF DAMAGE. 14. AT ONE POINT TINDEMANS PROPOSED THAT THE MATTER BE PUT TO THE VOTE, BUT OLESEN MAINTAINED, THAT THIS WAS A MEETING IN POLITICAL COOPERATION WHERE THE RULE OF CONSENSUS MUST APPLY. GENSCHER THEN SUGGESTED THAT THE MEETING TRANSFORM ITSELF INTO A COUNCIL SO AS TO PERMIT A VOTE TO BE TAKEN, BUT THIS TOO WAS PREVENTED BY OLESEN'S INSISTENCE THAT IT WOULD REQUIRE A UNANI-MOUS DECISION TO MOVE INTO THE COUNCIL FORMAT.
  - 15. THORN REFINED HIS PROPOSAL BY INTRODUCING THE REFERENCE TO ARTICLE 225. THERE WAS THEN AN ADJOURNMENT OF 90 MINUTES FOR CONSULTATION WITH CAPITALS.
  - 16. WHEN THE MEETING RESUMED, COLOMBO SAID THAT ITALY COULD ACCEPT THORN'S PROPOSAL. COLLINS SAID THAT IRELAND MUST HAVE THE SAME EXEMPTION AS ITALY. BOTH WERE ASKED FOR AND GAVE ASSURANCES THAT EVERYTHING POSSIBLE WOULD BE DONE TO PREVENT ENTRY OF ARGENTINE GOODS. VAN DER STOEL DESCRIBED THE OUTCOME AS A MONSTROSITY AND A CLEAR VIOLATION OF COMMUNITY TRADE POLICY: HE ACCEPTED IT ONLY WITH REGRET.
  - 17. THE MEETING CLOSED TOWARDS MIDNIGHT AFTER A WASPISH

#### CONFIDENTIAL



REFERENCE BY CHEYSSON TO 'THIS BRILLIANT SESSION', AN ASSURANCE FROM COLOMBO THAT INABILITY TO EXTEND THE IMPORT EMBARGO IN NO WAY AFFECTED ITALY'S SOLIDARITY OR THE BAN ON ITALIAN SUPPLIES OF DEFENCE EQUIPMENT TO ARGENTINA, AND A HANDSOME ACKNOWLEDOEMENT BY GENSCHER OF COLOMBO'S PERSONAL QUALITIES AND POLITICAL DIFFICULTIES. I EXPRESSED APPRECIATION OF THE SUPPORT GIVEN TO BRITAIN AND OF TINDEMAN'S CHAIRMANSHIP.

18. AT CHEYSSON'S SUGGESTION IT WAS AGREED TO PRESENT THE OUTCOME ESSENTIALLY AS A DECISION TO EXTEND THE MEASURES ADOPTED A MONTH AGO AND TO PLAY DOWN THE ARGUMENT ABOUT TECHNICALITIES.

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GRS 900

11 8 MAY 1982

CONFIDENTIAL

FM LUXEMBOURG 172229Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 149 OF 17 MAX

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(160)

INFO IMMEDIATE WASHINGTON PRIORITY UKDEL NATO AND OTHER NATO POSTS UKREP BRUSSELS UKHIS NEW YORK

MY TELNO 147 (NOT TO ALL):

NORTH ATLANTIC COUNCIL MINISTERIAL MEETING:

SUPER RESTRICTED SESSION - FALKLANDS

1. THE SECRETARY OF STATE BROUGHT HIS COLLEAGUES IN THE NAC UP-TO-DATE ON THE FALKLAND ISLANDS PICKING UP A REFERENCE IN HAIG'S OPENING STATEMENT, HE SAID THAT THE SOUTH ATLANTIC PROVIDED AN OPPORTUNITY FOR THE ALLIANCE TO SHOW SOLID-ARITY AND ITS RESOLUTION IN DEFENCE OF ITS PRINCIPLES. HE THANKED HAIG FOR HIS EFFORTS TO BRING ABOUT A SOLUTION. THE FOCUS WAS NOW IN NEW YORK AND THE TALKS WERE IN A CRITICAL STAGE. THE UK PERMANENT REPRESENTATIVE TO THE UN HAD RETURNED THERE THAT DAY AND WOULD BE SEEING THE SECRETARY GENERAL AT ABOUT LUNCHTIME NEW YORK TIME. IT SEEMED LIKELY THAT NEGOTIATIONS WOULD COME TO A HEAD THIS WEEK. WE COULD NOT CONTINUE INDEFINITELY. AGREEMENT WAS ENTIRELY POSSIBLE BUT IT WAS NOT EASY DEALING WITH THE ARGENTINES AMONG WHOM THERE WERE MANY VOICES. IF AN AGREEMENT WAS ACHIEVED IT WOULD. BE THE RESULT OF DIPLOMATIC, ECONOMIC, AND MILITARY PRESSURES, ALL BASED ON SECURITY COUNCIL RESOLUTION 502 WHICH HAD CALLED FOR CEASEFIRE, WITHDRAWAL AND A DIPLOMATIC SOLUTION. THROUGHOUT WE HAD BEEN PUTTING THE SQUEEZE ON ARGENTINA. HE HAD DESCRIBED THE STATE OF PLAY IN THE DIPLOMATIC FIELD. THE MILITARY PRESSURE WAS BUILDING UP AND WE WERE SECURING THE TOTAL EXCLUSION ZONE AS WELL AS OUR LINES OF COMMUNICATION (WE HAD GIVEN THE ARGENTINES NOTICE SOME TIME AGO, AND HAD REPEATED, THAT IF THEY CHALLENGED US THERE, THEY SHOULD KNOW WHAT TO EXPECT). THE ECONOMIC MEASURES HAD BEEN EFFECTIVE AND WE WERE GRATEFUL TO OUR PARTNERS IN THE EC. TO NORWAY, PORTUGAL, THE UNITED STATES, AND MEMBERS OF THE COMMONWEALTH. THIS SUPPORT HAD BEEN VERY IMPORTANT, AND ITS CONTINUATION IN THIS VERY CRITICAL WEEK WAS VITAL. IT WOULD BE VERY

NUMBER OF PEOPLE, BUT WE WERE ALSO TALKING ABOUT A VERY. MAJOR ISSUE, ABOUT AGGRESSION AND ABOUT UPHOLDING THE RULE OF LAW. THE PUBLIC GENERALLY UNDERSTOOD THIS. THE ARGENTINES WERE ILLEGAL INVADERS. WE ACKNOWLEDGED THAT THEY HAD A CLAIM TO SOVEREIGHTY, INVALID IN OUR VIEW, BUT THERE WERE WAYS OF RESOLVING THAT WITHOUT THE USE OF FORCE. THE ARGENTINES HAD USED FORCE AND HAD FIRED THE FIRST SHOT. OUR OBJECTIVE WAS TO ACHIEVE THEIR WITHDRAWAL AND A SOLUTION IN WHICH THE ISSUE OF SOVEREIGNTY WOULD NOT BE PRE-JUDGED. WE WOULD DO THIS ONE WAY OR ANOTHER: WITH THE HELP OF OUR ALLIES BY PEACEFUL HEANS, WHICH WOULD SHOW THE UNITY AND SOLIDARITY OF THE ALLIANCE. BUT IF NOT BY PEACEFUL MEANS, BY OTHER MEANS. HOWEVER OUR OBJECTIVES WERE ACHIEVED THE WORLD WOULD HEAVE A SIGH OF RELIEF BECAUSE OTHER SMALL COUNTRIES WOULD FEEL A LITTLE BIT MORE SECURE. MOREOVER, THERE WOULD BE A PSYCHO-LOGICAL IMPACT ON THE CONCEPT OF DETERRENCE BY BRINGING OUT THAT OUR DEFENCE IN THE ALLIANCE EXISTED TO PRESERVE PEACE.

- 2. ALL SPEAKERS EXPRESSED SOLIDARITY WITH THE UK.
  HAIG SPOKE OF BRITAIN'S BRAVE STAND NOT ONLY BECAUSE
  BRITISH TERRITORY HAD BEEN INVADED BUT BECAUSE THE
  COLLAPSE OF THE PRINCIPLE OF RESISTING AGGRESSION COULD
  HAVE DANGEROUS RESULTS. THE US SUPPORTED THE UK DESPITE
  THE COST TO ITSELF AND THE POSSIBLE DANGERS TO US
  CITIZENS IN LATIN AMERICA. THE PRINCIPLE WAS OF WIDER
  APPLICATION.
- 3. PEREIRA (PORTUGAL) SPOKE OF POGTUGAL'S SUPPORT
  FROM THE BEGINNING. THE ARGENTINE ACTION WAS AN
  INADMISSIBLE USE OF FORCE WHICH COULD NOT BE PERMITTED
  SO LONG AS THE SECURITY COUNCIL RESOLUTION HAD NOT
  BEEN CARRIED OUT.

11. 15720 3f. (4012-20 Wr):

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ede filosofieros (n. 1965). Pr Profesionale de la 4. GENSCHER (GERMANY) SAID THAT AGGRESSION SHOULD

NOT PAY. NOTHING WOULD CONVINCE PEOPLE OF THIS MORE THAN

THE CLIDARITY AND UNITY DISPLAYED AMONG FRIENDS

AS A SIGNAL TO ARGENTINA AND THE WORLD. CHEYSSON (FRANCE)

SAID THAT FRANCE HAD BEEN AT BRITAIN'S SIDE FROM THE FIRST

AND WOULD REMAIN SO, AS LONG AS RESOLUTION 502 HAD NOT BEEN

APPLIED. COLOMBO (ITALY) SAID THAT ITALY WAS BEHIND THE UK

IN THE BASIS OF SECURITY COUNCIL RESOLUTION 502, BECAUSE

AGGRESSION HAD BEEN COMMITTED BY ARGENTINA AGAINST INTERNATIONAL

LEGALITY, THROUGH THE INVASION OF THE FALKLAND ISLANDS: AND

BECAUSE ITALY BELIEVED THAT THOSE WHO TOOK SUCH MEASURES SHOULD

PAY. ALL THE OTHERS SPOKE IN SIMILAR SENTENCES. STRAY (NORWAY)

NOTED THE IMPORTANCE OF NOT GIVING THE WRONG IMPRESSION IF

DETERRENCE WAS TO WORK.

THOMAS

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THE CARD OF MALL PARTIES OF THE PER FIG A SEALAND TO SEVENCIA TO JUST THE LIB HE , GO WITH, BUT THEFE THE STATES AND ATTENDED A STOLE . HE SOUTH AT THE PARTY OF THE PARTY is pive the whale extended a community of the the which teams, thus an assertion who knows in the state state AS THE THE REPORTS WITH WE THEN THE THE THE MEST WHOLL IN ASSET TALE OF METER the office of the country of the control of the con INTERACTOR AND A CONTRACTOR OF THE METERS AND A SUMMER OF THE CONTRACTOR AND A SUMER OF THE CONTRACTOR AND A SUMMER OF THE CONTRACTOR AND A SUMER OF THE CONTRACTOR ASSOCIATION AND A SUMER OF THE CONTRACTOR ASSOCIATION AND A SUMER OF THE CONTRACTOR ASSOCIATION AND A SUMER OF THE CONTRACTOR ASSOCIATION ASSOCIATION ASSOCIATION AS SUMER OF THE CONTRACTO SAFERRE ALL THEN YEST A PROTEST, WIR ITN CANTIFICATION IS THE DULLED THOSES' TV. WINDSON OF THE CONCRETENT THIS A: LEGG TACTURE TO DIM THATTERN IN THE CO, TO ROBWAY, FEGTORAL, with it two they. The extra its measures him been streetline and SCHOOLED, THE TOP THE TALK SPECIAL DAMAS THEY SPECIAL MICH. THE RAY PURE THE WESTERN HOLLOW SELECTED THE ARE MAD HAD in the comment of the property of the commentation STREET, THE STREET CONTRACTOR OF THE STREET OF THE STREET, A LEGIC.

TELECOM for enquiries dial the number shown in your dialling instructions

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BUENOSAIRES/TLX 205/201 17 1531 PAGE

LT BUENOS AIRES MAY 17TH THE RIGHT HONOURABLE MARGARET THATCHER M.P. PRIME MINISTER DOWNING STREET 10 LONDON



DEAR PRIME MINISTER:

THE BRITISH COMMUNITY COUNCIL IN THE ARGENTINE REPUBLIC,

I AM APPROACHING YOU IN ORDER TO SEEK THE COOPERATION OF YOUR GOVERNMENT TO PERMIT THE EVACUATION OF ALL CHILDREN PRESENTLY

COL LT 17TH 1982 10

TX712 LT BUENOS AIRES PAGE 2/51

IN DISPUTE. LOCATED ON THE 15LANDS

FEEL TO DO THIS, WE WILL NECESSARY TO DECLARE BE FIRE AND PERMIT A NEUTRAL SHIP UNDER INTERNATIONAL RED PROSS TO TAKE THEM OFF. ALTERNATE SUGGESTIONS YOU MAY HAVE IN THIS RESPECT.

AUK520 TX712 LT BUENOS AIRES PAGE 3/55

IS INTENTION TO LOCATE OUR THE CHILDREN IN THE COMMUNITY, THE WHERE MEMBERS OF THEY WILL LOOKED AFTER AND POSSIBLE THE 15 UNDER PRESIDENT GALTIERI TO PERMIT AND LOOK FORWARD THIS OPERATION, TO YOUR EARLY REPLY IN

AUKS20 TX712 LT BUENOS AIRES PAGE 4/41

ORDER TO PROCEED AND SAFEGUARD THE LIFE OF THESE CHILDREN. TO PRAY FOR PEACE, AND THAT NO FURTHER LOSS OF LIFE WE CONTINUE WILL RESULT FROM THIS CONFLICT.

YOUR S SINCERELY,

MURCHISON CHAIRMAN BRITISH COMMUNITY COUNCIL ARGENTINE REPUBLIC

299992 PO TS G 889113 PO SW G

British TELECOAN for enquiries dial the number shown in your dialling instructions

Telegram for enquiries dial the number shown in your dialling instructions

FALKLAND ISLANDS : FCO SITREP : 0700 HOURS, 18 MAY

## UNITED NATIONS

1. As expected Sir Anthony Parsons saw the UN Secretary General in New York on 17 May. The Secretary General subsequently saw the Argentine deputy Foreign Minister, Sr Ros, to pass on what Sir Anthony had said. No Argentine reaction and no further meeting between the Secretary General and Sir Anthony has been reported.

## EUROPEAN COMMUNITY

2. EC Foreign Ministers on 17 May agreed to arrangements ensuring that embargo on import of Argentine goods would continue until 24 May inclusive. Seven member states will continue to apply original Regulation of 16 April for seven days; Ireland and Italy will not continue to apply this Regulation but will urgently consult Commission under Article 225 in order to prevent market distortion; Denmark will apply the 16 April Regulation initially, pending introduction of Danish national measures under Article 224. Support for extension from France, FRG, Netherlands, Greece, Belgium and Luxembourg. Denmark's initial objection based on preference for national rather than Community measures. Italy concerned about Italian community in Argentina.

## NATO

3. In the super-restricted session of the North Atlantic Council Ministerial meeting in Luxembourg, all speakers expressed solidarity with the UK position.

Emergency Unit

FILE . HL



# 10 DOWNING STREET

THE PRIME MINISTER

18 May 1982

Rear Richard.

Thank you for your letter of 17 May urging me to agree now to present to the House of Commons any terms for a settlement of the Falklands dispute which may emerge from the discussions the United Nations Secretary General is holding in New York, before the Government takes any decision to embark upon a major military escalation.

I have considered your letter very carefully but I cannot give you the assurance you seek. As I explained to you in the House of Commons on Tuesday and Thursday of last week, it is for the Government to take the necessary decisions and then to answer to the House for its actions.

I do not think that I can put the Government's position more clearly than I did last Thursday (Hansard of 13 May, volume 23, no. 115, col. 943) "If there is a settlement, the Government would come afterwards to report to the House and would be answerable for the settlement that they had agreed. Equally, if there is not a settlement the power of action resides in the Government ... and we are answerable to the House for our actions."

/ The Government

HU

The Government is doing all it can to secure a negotiated solution to the Falklands dispute. Sir Anthony Parsons, our Ambassador to the United Nations, came back to this country at the weekend for consultations and he has now returned to New York with instructions to continue his efforts with the United Nations Secretary General to try to reach a negotiated settlement. If we can secure such an agreement on terms which the Government believes are right, we will accept it and then seek the approval of the House of Commons. If we cannot reach agreement on terms which we regard as acceptable, then as Government we will have to decide what further military action to take. We will answer for our decisions to the House.

The Government has been ready throughout the Falklands crisis to come to the House to report the latest position. I think that it would be timely if we had another debate later this week, and we shall be in touch through the usual channels to settle the day.

Your siculy Nagare Shakte

The Rt. Hon. Michael Foot, M.P.



May 18, 1982

Mr Colas M2075 h.a.

To confirm our telephone conversation of I understand that recently, on vesterday. Argentinian television, the Montonero Firminich\* made a sudden, piratical appearance on half the screen. He offered to organise terrorism in this country in support of the Junta. This character is known to have money and contacts with the rest of the international terrorist network. He was tast heard of in Switzerland or Cuba. There are a number of Argentinian exiles in Britain, many let in when Dame Judith Hart was Minister of Overseas Development. It would perhaps be desirable to pass this on to the appropriate authority.

Hugh Thomas

HUGH THOMAS

\*From his name I should guess him to be the son of a Polish immigrant, possibly Jewish. He is a Marxist Peronist who apparently lives in style in exile on the basis of ransom demands after kidnaps and bank-robberies. PART 17 ends:-

Michael Foot to Pm 17.5.82

PART /8 begins:-

18.5.85

Pm to Michael Foot 18.5.82

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