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PART 21 SECRET

Relations with Argentina Position of the Falkland Islands

Carridantial Filip ARSENTINA

Part 1: Sept 1979

Part 21: May 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
31.5.82							
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PART 21 ends:-

31 MAY 82

PART 22 begins:-

1 JUNE 182

CONFIDENTIAL 7800 - 1 OO UKMIS GENEVA GRS 145 CONFIDENTIAL FM FCO 311430Z MAY 82 TO IMMEDIATE UKMIS GENEVA TELEGRAM NUMBER 201 OF 31 MAY INFO PRIORITY BRASILIA, BERNE AND MOD UK (DS11) 1. WE HAVE HEARD FROM THE ARGENTINES THROUGH THE BRAZILIAN EMBASSY HERE THAT FLT LT JEFFREY WILLIAM GLOVER, A HARRIER PILOT WHOSE AIRCRAFT WAS SHOT DOWN OVER THE FALKLANDS AND WHO WAS CAPTURED BY THE ARGENTINES, IS IN THE AERONAUTICAL HOSPITAL IN COMODORO RIVADAVIA, WHERE HE MAY BE VISITED BY A REPRESENTATIVE OF THE ICRC. HE HAS APPARENTLY SUFFERED A FRACTURED CLAVICAL, BUT HIS GENERAL STATE OF HEALTH IS DESCRIBED BY THE ARGENTINES AS GOOD. 2. WE ASSUME THAT THE ARGENTINES WILL HAVE INFORMED THE ICRC OF THIS AND THAT THE LATTER ARE PUTTING ARRANGEMENTS IN HAND TO VISIT GLOVER. WE SHOULD BE GRATEFUL IF YOU COULD CONFIRM THIS WITH THE ICRC AND SAY THAT WE SHALL LOOK FORWARD TO SEEING THEIR REPORT IN DUE COURSE. PYM [COPIES SENT TO NO 10 DOWNING STREET] FALKLAND ISLAND GENERAL ADDITIONAL DISTRIBUTION FCO FALKLAND ISLANDS S AM D CABINET OFFICE CONFIDENTIAL

ADVANCE COPIES: FALKLAND ISLANDS GENERAL

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CABINET OFFICE

Room 8 FOR MODUK C IN C FLEET

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

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CONFIDENTIAL

FM MADRID 311529Z OF 31 MAY

TO PRIORITY FCO

TELEGRAM NUMBER 309 OF 31 MAY

INFO PRIORITY UKMIS NEW YORK UKDEL NATO UKREP BRUSSELS

YOUR TELEGRAM NUMBER 131: FALKLANDS: ARGENTINA INTERNAL.

1. THE DIRECTOR-GENERAL FOR LATIN AMERICA AT THE SPANISH MFA MADE THE FOLLOWING COMMENTS THIS MORNING.

2. REPORTS RECEIVED FROM BUENOS AIRES ABOUT A WEEK AGO SUGGESTED THAT THE INTERNAL SITUATION REMAINED CALM AND THAT THE MILITARY . TOOK A RELATIVELY OPTIMISTIC VIEW. THE MILITARY COMMANDER OF

ADVANCE COPY

TOOK A RELATIVELY OPTIMISTIC VIEW. THE MILITARY COMMANDER OF
THE BUENOS AIRES AREA, FOR INSTANCE, HAD TOLD THE SPANISH
AMBASSADOR THAT HE WAS RECONCILED TO THE LOSS OF THE FALKLAND
ISLANDS IN THE SHORT-TERM. BUT THIS WOULD BE TO LOSE A BATTLE,
NOT THE WAR, WHICH IN THE LONGER TERM HE WAS SURE ARGENTINA
WOULD WIN. THERE HAD BEEN NO WAVERING IN THE FULL POPULAR SUPPORT
WHICH THE GOVERNMENT ENJOYED ON THIS ISSUE. ON THE OTHER HAND,
US POLICY AROUSED EVEN STRONGER FEELINGS THAN BRITAIN'S.
THE ARGENTINIANS FELT BETRAYED AND RESENTFUL.

- 3. CASSINELLO WENT ON TO SAY THAT THE ARGENTINIAN MFA TOOK A
 MORE PESSIMISTIC VIEW, PERHAPS BECAUSE THEIR INTERNAL POLITICAL
 ANALYSIS WAS MORE SOPHISTICATED. MINDS THERE WERE ALREADY
 TURNING TO WHAT MIGHT FOLLOW THE MILITARY REGIME. THE MILITARY
 HAD DELIBERATELY DISMEMBERED THE INTERNAL CIVILIAN STRUCTURE
 AND THE POLITICAL PARTIES. AS A RESULT THERE WAS NO VIABLE
 ALTERNATIVE CAPABLE OF SEIZING, LET ALONE HOLDING, POWER. NO
 CLEAR CIVILIAN MODEL OF GOVERNMENT HAD EMERGED. A NUMBER OF
 POLITICIANS OF THE VIOLA PERIOD, SUCH AS CAMILLON AND LIAS, WERE
 BEING SPOKEN OF AS POSSIBLE MEMBERS OF A CIVIL/MILITARY GOVERNMENT.
 ONE SHOULD ALSO REMEMBER THAT GALTIERI'S SUPPORT REMAINED STRONG
 ENOUGH FOR HIM TO BE THE FIGURE TO HEAD SUCH A JOINT GOVERNMENT.
- ON DOMESTIC POLITICS HE WAS, BY COMPARISON WITH ANAYA, A MODERATE.
 - 4. CASSINELLO SAID THAT THE AMERICANS WERE CLEARLY WORKING HARD FOR AN HONOURABLE SURRENDER OF ARGENTINIAN FORCES ON THE FALKLANDS. BUT A PERONIST POLITICIAN HAD MADE THE POINT THAT THE ARGENTINIAN MILITARY GOVERNOR MENENDEZ WAS UNPREDICTABLE AS WELL AS TOUGH. THERE COULD BE NO GUARANTEE THAT IF ASKED TO PRESIDE OVER A DIGNIFIED SURRENDER, HE WOULD COMPLY.
 - 5. CASSINELLO ENDED BY SAYING THAT IT WAS ONLY IN THAT VERY NARROW SECTOR OF ARGENTINIAN SOCIETY WHICH WAS CAPABLE OF SOPHISTICATED POLITICAL REFLECTION THAT ANY SORT OF SECOND THOUGHTS ABOUT THE WHOLE OPERATION WERE BEGINNING TO EMERGE. THE GREAT MASS OF THE POPULATION WERE FED ON HEAVY PROPAGANDA AND DENIED ALTERNATIVE SOURCES OF INFORMATION. THEY REMAINED UNSHAKEN BY LOSSES ALREADY SUSTAINED.



Office of the Governor

Grand Cayman

Cayman Islands

31 May 1982

Madam, With my humble duty,

The Government and people of the Cayman Islands ask Your Majesty to accept, on behalf of the United Kingdom, a gift of 500,000 from them.

Part of this gift has been raised by public collections and part has been contributed by the Government. Together they wish to offer it, with a pledge of their heartfelt loyalty and support, at a time when their Mother Country is in need of help, hoping it will be put to whatever use may be judged most appropriate.

I have the honour to remain, Madam, Your Majesty's most humble and obedient servant

Peter Lond

GOVERNOR

Her Majesty The Queen

ime cold go mate, Print

2 Prime Minister

FOREIGN SECRETARY

1/6

FALKLAND ISLANDERS AND THE NATIONAL HEALTH SERVICE

I think you will wish to know that I am taking steps to clarify the position of Falkland Islanders now in Britain who may need medical treatment, either in the period up to October or thereafter, when charges for overseas visitors are to take effect. Residents of the Islands will be eligible for free treatment on the same terms as residents of this country. I am arranging for a Parliamentary Question and Answer, in the terms set out in the Annex to this minute, to publicise the position.

You may also like to be aware of a point affecting pensioners of Argentine Corporation resident in this country who claim supplementary benefit because their pension payments have been frozen. So long as they remain frozen, these pensions will be ignored for supplementary benefit purposes, and such people will be eligible for supplementary benefit subject to the normal rules. However, if at some future time, they receive payment of their pension for a period when supplementary was paid, they may be required to repay the amount of supplementary benefit concerned. The few people who have claimed benefit so far have been advised to this effect. Further consideration will be given to the question of possible repayment.

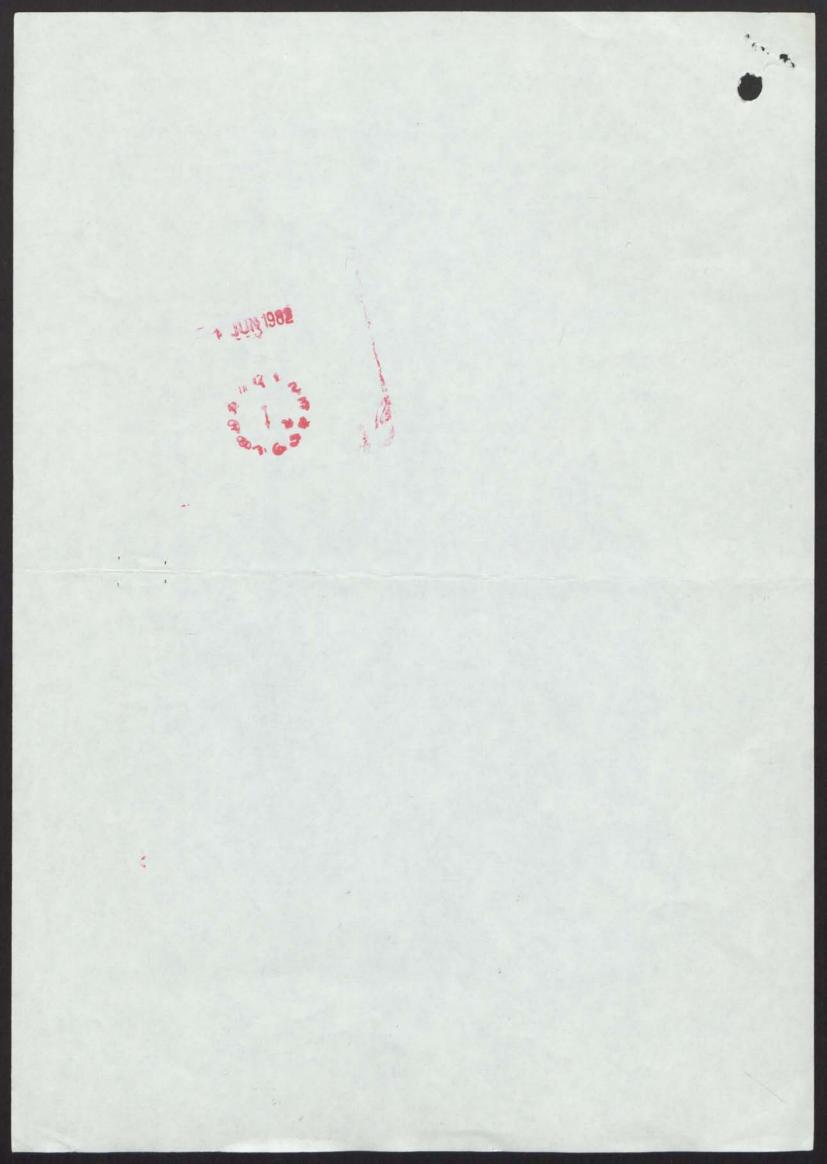
Falkland Islanders themselves who arrive in Great Britain should not normally need to claim supplementary benefit, since those in need will be able to apply for help under the special programme, funded by the Home Office and administered by the Governor of the Falkland Islands with the help of the Women's Royal Voluntary Service.

I am copying this minute to members of the Cabinet and to Sir Robert Armstrong.



Q. To ask the Secretary of State for Social Services, whether residents of the Falkland Islands now in the United Kingdom, are eligible for free treatment under the National Health Service.

A. Yes. The Government has decided that Falkland Islanders should be eligible for the full range of NHS treatment available to residents here. (This will continue to be the case when charges for overseas visitors are introduced in October 1982.)





PIECE/ITEM 632 (one piece/item number)	Date and sign	
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15T. JUNE, 1582.

TO: TED NEEDHAM, COALITE GROUP, PO BOX 21., CHESTERFSTERFIELD: FROM: BOB HARDCASTLE.

VERY THANKFUL TO BE LIBERATED SPM 28TH. GOOSE GREEN 29TH. SOME HOUSES DESTROYED ALL EMPLOYEES AND VISITORS SAFE. ALL WERE CONFINED TO REACREATION HALL SINCE MAY 1ST. DARWIN PEOPLE AND GOSS LET OUT 15TH. SITUATION CANNOW ONLY GET BETTER. REGRET TO ADVISE GOONS OCCUPIED AND LOOTED ALL HOUSES, STORES, FARM MATERIALS, ROVERS, TRACTORS AND EQUIPMENT. SETTLEMENT AREA A SHAMBLES. MUCH INDISCRIMINATE SHEEP KILLING FOR FOOD BY GOONS IN HELICOPTERS. ASKING NORTH ARM FOR IMMEDIATE HELP TO GET ESSENTIAL SERVICES GOING AND GETS RAMS OUT. MOST PEOPLE HAVE DESIRE AND WILL TO RETURN TO NORMAL AND WILL DO OUR BEST TO DC SO. SUGGEST BRITTON AND MITCHELL COME TO HELP WITH REORGANISATION AS SOON AS CIRCUMSTANCES ALLOW.

FITZROY, STEPHENS, NORTH ARM UNOCCUPIED. PLEASE ASK MRS. GOODWIN FAIROAK 2431 TO ADVISE SIMON AND ALL OTHERS. DESPITE NINETEEN BULLET HOLES IN HOUSE, SHELL HOLES ON GREEN, HEADS NOW UP AND BOTTOMS DOWN. NO NEWS OF GAVIN AT FOX BAY FOR SIX WEEKS.

REGARDS TO ALL. BOS HAREDCASTLE. BROOK

SENT 1228

54250 COALTE G 21909 EVSTAN G

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OFFICE

MR COLVIN MR O'NEILL HD AS

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 Room 8)

SECRET

PS

PS/MR HURD PS/MR ONSLOW

MR BULLARD

MR GIFFARD

MR GILLMORE

MR BARRETT

HD/S AM D

HD/DEF D

HD/NEWS D

HD/PUSD/2

MR REED; PUSD

EMERGENCY ROOM RESIDENT CLERK

MR WRIGHT

MR URE

HD/UND

HD/ERD

PS/LORD BELSTEAD

HD/PLANNING STAFF

SIR I SINCLAIR

PS/PUS

FROM UKMIS NEW YORK 311426Z MAY 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 895 DATED 31 MAY 82
INFO IMMEDIATE WASHINGTON

m

WASHINGTON TELNOS 1968-1964: FALKLANDS

- 1. THERE IS NO DOUBT THAT THE IDEAS IN HAIG'S PAPER (WASHINGTON TELNO 1964) WOULD BE INFINITELY BETTER FOR US THAN ANY ANALOGOUS FORM OF UN INVOLVEMENT.
- 2. I HAVE A STRONG FEELING THAT, AS THE MILITARY SITUATION WORSENS FOR ARGENTINA, THEY WILL INCREASE THEIR EFFORTS TO INVOLVE THE UN IN ORDER TO FORTIFY THEIR POSITION ON SOVEREIGNTY FOR THE NEGOTIATIONS IN THE PHASE FOLLOWING ARGENTINE WITHDRAWAL.
- 3. I REMEMBER TELLING MR LUCE IN FEBRUARY THAT WE MUST NEVER LOSE SIGHT OF THE FACT THAT, ALTHOUGH WE WERE ABLE TO USE THE UN TO OUR ADVANTAGE OVER SELF-DETERMINATION FOR BELIZE, THE OPPOSITE WOULD ALWAYS BE TRUE OF THE FALKLANDS, HOWEVER ILLOGICAL THIS MIGHT SEEM.
- 4. I TALKED TO A LOT OF MY FRIENDS IN THE NAM BEFORE THEIR
 DEPARTURE FOR THIS WEEK'S MINISTERIAL MEETING IN HAVANA. THE

- DEPARTURE FOR THIS WEEK'S MINISTERIAL MEETING IN HAVANA. THE MORE MODERATE PROMISED TO HELP OVER THE COMMUNIQUE IN REGARD TO THE USE OF FORCE BY ARGENTINA, THE NEED TO IMPLEMENT SCR 502, PEACEFUL SETTLEMENT OF DISPUTES ETC. BUT THEY WERE ALL ADAMANT THAT THERE COULD BE NO GOING BACK ON EARLIER NAM PRONOUNCEMENTS ABOUT ARGENTINE SOVEREIGNTY. IF YOU ADD THE NON-NAM LATIN AMERICAN MEMBERS TO THE NAM MEMBERS/OBSERVERS, THIS MEANS THAT THERE ARE PROBABLY BETWEEN 110 AND 120 GA VOTES FOR ARGENTINE SOVEREIGNTY.
- 5. ANY UN INVOLVEMENT IN THE AFTERMATH OF THE PRESENT CRISIS
 IS BOUND TO REFLECT THIS FACT IN SOME WAY OR OTHER, AND THE
 ARGENTINES WOULD EXPLOIT THE FACT OF A UN PRESENCE IN THE ISLANDS
 AND UN INVOLVEMENT IN NEGOTIATIONS IN THE SECURITY COUNCIL AND
 GENERAL ASSEMBLY AS APPROPRIATE.
- 6. AGAINST THIS BACKGROUND, IT IS THEREFORE VERY MUCH IN OUR INTEREST TO KEEP THE UN RIGHT OUT OF THE ACT, AND TO TRY TO SETTLE THE PROBLEM ON A WESTERN HEMISPHERE BASIS WITH THE HELP OF A POWERFUL LATIN AMERICAN COUNTRY AS WELL AS THE US. IF BRAZIL WERE INVOLVED, THE BRAZILIAN GOVERNMENT COULD DO MUCH TO STOP THE VARIOUS UN ORGANS FROM SHOUTING FROM THE TOUCH LINES.

PARSONS

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FALKLANDS SELECTIVE ADVANCES

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

DIO

MR J M.STEWART AUSD STAFF ADMIRAL SIR ROY HALLIDAY DGI MOD DIRECTOR G.C.H.Q. (via Room 8)

ADVANCE CCPYE Passed to E.R.]

DEDIP SECRET DESKBY 312100Z FM. PARIS 311900Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 567 OF 31 MAY

MY TELEGRAM NUMBER 563 : EXOCET MISSILES

- I SPOKE TO BEREGOVOY THIS EVENING IMMEDIATELY HE RETURNED TO PARIS. HE HAD BEEN IN TOUCH WITH MITTERRAND, HE SAID THE MISSILES WOULD NOT (NOT) BE RELEASED IN THE NEXT FEW DAYS. MITTERRAND WOULD REPLY TO THE PRIME MINISTER'S MESSAGE WITHIN THE NEXT 24 HOURS. GUTMANN WOULD BE ABLE TO DISCUSS THE QUESTION WITH SIR M PALLISER TOMORROW, BEREGOVOY WOULD SPEAK TO ME ABOUT IT AGAIN IN THE MORNING.
- 2. THIS HOLDS THE POSITION FOR THE MOMENT, BUT DEPENDING ON WHAT WE HEAR FROM THE FRENCH TOMORROW IT MAY BE NECESSARY FOR THE PRIME MINISTER TO SPEAK TO MITTERRAND AT VERSAILLES.
- 3. BEREGOVOY THOUGHT THAT GUTMANN'S VISIT TO LONDON (WHICH IS TREATED HERE AS SECRET AND DELICATE) OVERTOOK THE PROPOSAL OF SIR M PALLISER VISITING PARIS AS A SPECIAL EMISSARY. I SUGGEST

3. BEREGOVOY THOUGHT THAT GUTMANN'S VISIT TO LONDON (WHICH IS TREATED HERE AS SECRET AND DELICATE) OVERTOOK THE PROPOSAL OF SIR M PALLISER VISITING PARIS AS A SPECIAL EMISSARY. I SUGGEST WE REVIEW THIS WHEN WE SEE EXACTLY WHERE WE HAVE GOT TO BY TOMORROW EVENING.

FRETWELL

NNNN

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PAPED 5/11

MATANCE CUPIES: PALKLAND ISLANDS GENERAL (ES) 4 16 PS/NO 10 DOWNING OF 10 EL/LR HURD IMMEDIATE PR/S OF S FOR DEVENCE HAR ORSLOW FC/709 ER J STEWART AUSD STAFF MOD " BULLARD SIR I SIRCLAIR PO/CHANCELLOR MA GIFFARD MR ILETT HI WRIGHT TREASURY TH ADAMS MR LITTLER LORD R CORDON LENNOX MISS DICKSON D/ENERGY LUED BRIDGES "RURE SIR R ARESTRONG TR GILLNORE BIR M PALLISER CABINET OFFICE 1:0/PUSD (2) MR WADZ-GERY HO/S Am D ER MULIER SAPU/DIO HD/DEFENCE D DIO HD/REWS D HIN/ERD ROOM 8 FOR MODUK . C IN C FLEET HD/ECD(E) BD/UND HO/PLANKING STAFF THE ANTHORY WILLIAMS W60 [Passed to K.R.] THE REAL COURT Typiato a.u.] RESIDENT CLERK Hd of S AFA GIS 388 UNICLASSIFIED FH CAPE TOWN EMBASSY 3189227 MAY 82 TO IMMEDIATE FCO. TELEGRAH NUMBER 377 OF 31 MAY ILFO PRETORIA, JOHANNESBURG INFO SAVING BCG CAPE TOWN, DURBAN OUR TELNO 374 . FALKLANDS . ARIS 1. THE (JOHALNESBURG) SUNDAY TIMES YESTERDAY (32 NAYS FFERRIES A LONG ARTICLE BY IVOR WILKINS ENTITLED QUOTE ANATOMY OF A MUDDLE THE MURKY BACKGROUND TO THE ARMS FOR ARGENTINA AFFAIR UHQUOTE. 2. WILKINS DESCRIBES THE CONFUSION HERE WHICH FOLLOWED THE PUBLICATION OF THE ARGUS GROUP'S REPORT OF 24 MAY (DUR TELHO 356) AND ASCRIBES THE HINISTER OF DEFENCE'S STATEMENT (THAT SOUTH AFRICA HAL NOT SUPPLIED MISSILES OR ALECEAFT PARTS TO AEGENTINA) TO A DESTRE NOT TO ALIENATE BRITISH PUBLIC OPINION NOR PRO-BRITISH EXCLISI SPEAKING SOUTH AFRICANS WHOSE SUPPORT THE GOVERNMENT LEUS FOR LATERHAL REFORM.

LULION OPERATION SCOTTLE AFRICT & WHOSE SUPPORT THE SOUTHWEST LEUS FOIL CATELLIA TETONIL 3. WILKINS ANALYSES STATESELTS OF BRITISH DISSATISFACTION AT THE LIMITED SCOPE OF GENERAL HALAN'S STATEMENT (THAT IT DILY COVERED MISSILES AND AIRCRAFT PARTS, AND DID NOT APPLY TO THE FUTURE). THE ARTICLE ENDS " THERE IS OPEN SPECULATION IN POLITICAL CIRCLES THAT ERITISH DIPLOMATIC SOURCES PLANTED THE STORY TO FORCE THE ISSUE OF SOUTH AFRICA'S ROLE INTO THE OPEN ". 4. YESTERDAY'S RAPPORT (HASS CIRCULATION AFRIKAANS SUIDAY PAPER) HAS A REPORT ON AN INSIDE PAGE DESCRIPING THE DAMAGE WHICH SOUTH FRICA HAS SUFFERED ABROAD FROM THE REPERCUSSIONS OF THE ARGUS ACTICLE, RAPPORT CUOTES THE LONDON TIMES AS SAYING THAT THE BRITISH WERE PROBABLY BEHIND THE ARTICLE, IN ITS SECOND EDITORIAL. RAPPORT ASSUMES THAT THE BRITISH WERE RESPONSIBLE AND DESCRIBES THIS AS "CHEEK". THE BRITISH HAVE NO RIGHT TO KNOW TO WHOM SOUTH AFRICA SELLS WEAPONS. PRETORIA FLEASE PASS JOHANNESBURG FERGUSSON MMMM SENT AT 311010Z MAY 82 GAN 57-27301 SA 919272 PKDR

FAIRLANDS SELECTIVE ADVANCES (39)45

PS (6) PS/MR HURD PS/MR ONSLOW PS/PUS PS/LORD BELSTEAD MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT HD/S AM D HD/DEF D HD/PLANNING STAFF HD/UND HD/NEWS D HD/ERD HD/PUSD MR REED, PUSD EXERCENCY-ROOM RESIDENT CLERK HARSAD GRS 130 CONFIDENTIAL FN DELHI 319699Z MAY 92 TO INCEDIATE MODUK

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INFO ROUTINE FCO

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MR J M STEWART AUSD STAFF MOD

ADMIRAL SIR ROY HALLIDAY DGI MOD

DIRECTOR G.C.H.Q. (via Room 8)

M

FROM NAVAD. MODUK FOR SPR(N) INFO DEFSALES, RYD3. FCO FOR SAB. SEA HARRIER PERFORMANCE IN SOUTH ATLANTIC.

- 1. DELIBERATIONS IN DELHI FOR THE NEXT PURCHASE OF SEA HARRIERS FOR THE INDIAN NAVY ARE AT A CRUCIAL STAGE. INDIAN AIR FORCE, WHICH BITTERLY OPPOSES THIS PURCHASE, IS USING INFLATED ARGENTIMIAN CLAIMS OF SEA HARRIER LOSSES AS EVIDENCE OF AIRCRAFTS POOR PERFORMANCE IN OPERATIONS.
- 2. I AM PASSING TO NAVAL HQ EXTRACTS FROM TIMES OF MR HOTT'S
 STATE ENT TO COMMONS ON 25 MAY TOGETHER WITH THE TOTE OF BRITISH
 LOSSES WHICH APPEARED ON PAGE 3.
- DECLINED TO GO INTO ANY DETAILS OF THE SEA HARRIERS PERFORMANCE IN THE AIR TO AIR COUBAT ROLE, IT WOULD BE "OST HELPFUL IN THE PROGRESS OF THIS IMPORTANT DEAL TO HAVE SO'E SUBSTANTIAL EVIDENCE OF THIS ASPECT AS SOON AS POSSIBLE.

PNA

PALKLANDS SELECTIVE ADVANCES (37) 45

PS (6) PS/MR HURD PS/MR ONSLOW FS/PUS PS/LORD BELSTEAD MMEDIATE MR BULLARD SIR I SINCLAIR MR GIFFARD ME WRIGHT MR GILLMORE MR URE MR BARRETT HD/S AM D HD/DEF D ED/PLANNING STAFF HD/UND ED/NEWS D HD/ERD HD/PUSD MR REED, PUSD EMERGENCY ROOM. RESIDENT CLERK MYNED

PS/NO 10 DOWNING STREET (2 copies) PS/S OF S DEFENCE PS/HOME SECRETARY PS/HOME SECRETARY (c/o NO 10 DSt) PS/ATTORNEY GENERAL PS/CHANGELLOR DUCKY OF LANGASTER PS/SIR R ARMSTRONG PS/SIR M PALLISER PS/SIR A DUFF CABINET MR WADE-GERY MR FULLER OFFICE MR COLVIN 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 Room 8)

GRS 370 SECRET DESKBY 311036Z F4 PARIS 311930Z HAY B2 TO 1 AMEDIATE FCO TELEGRAM NUMBER 563 OF 31 MAY

YOUR TELHO 310 1 EXOCETS

- 1. ON RECEIPT OF YOUR TUR, I SPOKE TO BERECOVOY PHO WAS OUT OF PARIS FOR THE LONG WEEKEND (TODAY IS ALSO A HOLIDAY IN FRANCE.) HE ASKED HE TO HAVE THE MESSAGE DELIVERED TO THE ELYSTE, HE TOOK NOTE OF THE PRIME MINISTER'S OFFER TO SEND SIR MICHAEL PALLISER.
- 2. WHEN DELIVERING THE MESSAGE AT THE ELYSEE LAST NIGHT, A MEMBER OF THE EMPASSY HAD A SHORT DISCUSSION WITH MADANE SOUDET. THE ELYSEE LUTY OFFICER. AFTER WEETING THE NESSAGE NADAME SOUDET SALE THAT PRESIDENT MITTERRALD HAD BECOME YERY PERSONALLY INVOLVED WITH THE FALKLANDS CONFLICT. SHE HAD HAD SEVERAL CONVERSATIONS WITH HIM OVER THE WEEKEND AND EACH TIME HE HAD BROUGHT THE CONVERSATION PACK TO THE FALKLANES. SHE GAID THAT THE PRIME MALAGER MANNER M

THE THE WAY OF THE WEST'S AND FACH TIME IN HAD BESUCHT THE CHIVEDSATION PACK TO THE PAULICIES. SHE SHIP THAT THE PRIME MINISTER SHOULD BE IN NO DOUBT ABOUT MAKERE THE PRESIDENT STOOD ON THE QUESTION OF EXOCETS FOR PERU. HE WAS PERSONALLY OPPOSED TO THEIR RELEASE. HE WAS IN NO DOUBT WHATSDEVED THAT THEY LOUED AT ONCE BE PASSED ON TO THE ARGENTINE, AND THE ELYSES VIEW WAS THAT THEY WOULD BE USED AGAINST THE LIVER GER. 3. WHEN ASKED WHY, IN SUCH CIFCU"STANCES THERE SHOULD BE ANY CUESTION OF THE MISSILES BEING RELEASED, MADAME SOUDET SAID THAT WE MUST DEALISE THAT THE COMMERCIAL PRESSURES ON THE PRESIDENT WERE ENORHOUS. THEY WERE BELLS EXERTED BOTH BY ARMS FIRMS AND SY FIRMS TRACING WITH LATIN AMERICA. A. IN A DISCUSSION APOUT THE AGGERTINE REPORT THAT HAS INVINCIBLE HAD BEEN ATTACKED AND SERIOUSLY DAMAGED BY SUPER ETEMPARES AND EVOCET, MADATE SOURET SAID THAT THE PRESIDENT WOULD DREAD SUCH KEWS IF IT LERE TRUE, PARTICULARLY AS HE KNEW THAT A SON OF HER VALESTY THE QUEEN WAS AMONGST THE CREW, SHE SALD THAT PRESIDENT PITTERPAND'S UNDERSTANDING AS AT 30 MAY WAS THAT THE ARCENTINE HAD ONE EXOCET LEFT AND HAD NOT SO FAR SUCCEEDED IN SECURING FURTHER SUPPLIES. SHE ADDED THAT THE PRESIDENT WAS FOLLOWING SEVELOPMENTS IN THE FALKLANDS YERY CLOSELY AND THE MORE WE COULD TELL THE ELYSEE THE BETTER. 5. AFTER PE-READING THE MESSAGE MADAME SOUDET SAID THAT THE MOST DIFFICULT PART BOULD BE THE ONE MOBTH MIRINUM, DID WE REALLY EXPECT THE CONFLICT TO GO ON THAT LONG ? PRESIDENT HITTERRAND MIGHT BE ABLE TO STALL FOR A LIMITED PERIOD BUT A MONTH SEEMED A LONG TIME, MADAN SOUDET'S ATTENTION WAS PIRECTED AGAIN TO THE ARGUMENTS ON THIS POINT. 6. WE APE PRESSING THE ELYSEE FOR AN EARLY RESPONSE. FRETWELL HHHH SENT/RECD AT 31/1610Z AM/BTM

ACTION)

COMFIDENTIAL

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OO UKMIS NEW YORK

OO WASHINGTON

GRS 248

CONFIDENTIAL

FM FCO 301200Z MAY 82

TO IMMEDIATE UKMIS NEW YORK

TELEGRAM NUMBER 484 OF 30 MAY

INFO IMMEDIATE WASHINGTON

YOUR TELEGRAM NO 884 AND 892: FALKLANDS: SECRETARY-GENERAL'S MANDATE

- 1. MINISTERS HAVE CONSIDERED THE ARGENTINE TERMS FOR A CEASE-FIRE. THEY ARE OF COURSE QUITE UNACCEPTABLE.
- 2. PLEASE TELL PEREZ DE CUELLAR ON 31 MAY THAT OUR OWN POSITION REMAINS AS SET OUT IN MY MESSAGE TO HIM IN MY TELEGRAM NO 475.
 YOU SHOULD HOLD OUT NO HOPE OF OUR ALTERING IT IN THE FACE OF THE CONTINUED ARGENTINE INTRANSIGENCE DEMONSTRATED IN THEIR REPLY TO HIM OF 28 MAY. WE NATURALLY RECOGNISE THAT, IN THE CIRCUMSTANCES, THE SECRETARY-GENERAL MAY FEEL OBLIGED TO REPORT FAILURE TO THE SECURITY COUNCIL.
- 3. IN REPLY TO THE ARGENTINE QUESTION ABOUT INTERNATIONAL SECURITY ARRANGEMENTS YOU SHOULD REPEAT THE LINE IN PARAGRAPH 3 OF YOUR TELNO 892. FOR YOUR OWN INFORMATION WE WOULD PREFER ARRANGEMENTS OUTSIDE THE UN, SINCE THE MANDATE FOR A UN FORCE MIGHT HAVE TO BE EXTENDED PERIODICALLY BY THE UN. BUT THERE IS NO NEED TO SAY THAT TO THE SECRETARY-GENERAL AT THE PRESENT STAGE.
- 4. I SHOULD PREFER THE SECRETARY-GENERAL NOT TO PUBLISH MY
 MESSAGE IN FULL. PLEASE TELL HIM THAT IT COULD CAUSE DIFFICULTIES FOR THE US ADMINISTRATION IF THE MENTION OF US FORCES
 IN THE FINAL PARAGRAPH WAS PUBLISHED. I SHOULD, THEREFORE,
 PREFER HIM TO INFORM THE SECURITY COUNCIL OF THE SUBSTANCE
 RATHER THAN THE TEXT OF THE MESSAGE AND IF IN PARA-PHRASING HE
 WOULD LEAVE THE LAST TWO SENTENCES OF THE MESSAGE OUT OF ACCOUNT

NYFO Ø17/28 CO F C O GRS 750 CONFIDENTIAL FROM UKMIS NEW YORK 282141Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 884 DATED 28 MAY 82 INFO IMMEDIATE WASHINGTON MY TELNO 874: FALKLANDS: SECRETARY-GENERAL'S MANDATE 1. THE SECRETARY-GENERAL ASKED TO SEE ME AT 1982Z TODAY (28 MAY). HE HAD SEEN LISTRE (ARGENTINA) AT 1500Z AND HAD TOLD HIM THAT A CEASEFIRE WOULD BE ACCEPTABLE TO THE UK IF INSEPARABLY LINKED TO THE COMMENCEMENT OF ARGENTINE WITHDRAWAL AND COMPLETION OF THAT WITHDRAWAL WITHIN A FIXED PERIOD. HE HAD GONE ON TO SAY THAT THE UK DID NOT ACCEPT SIMULTANEOUS WITHDRAWAL OF BRITISH FORCES. THE UK COULD CONSIDER BRITISH WITHDRAWAL BUT FIRST THEY WOULD WISH TO ATTAIN THE FOLLOWING OBJECTIVES: ARGENTINE WITHDRAWAL, RESTORATION OF BRITISH ADMINISTRATION, RECONSTRUCTION, AND CONSULTATIONS WITH THE ISLANDERS (IE THE FOUR STAGES DESCRIBED BY THE PRIME MINISTER IN THE HOUSE YESTERDAY). BRITISH WITHDRAWAL MIGHT BE POSSIBLE ONCE THESE FOUR STAGES HAD BEEN COMPLETED AND IN THE CONTEXT OF INTERNATIONAL SECURITY ARRANGEMENTS WHICH INCLUDED THE PARTICIPATION OF THE UNITED STATES. 2. PEREZ DE CUELLAR SAID THAT HE HAD ALREADY GIVEN LISTRE ADVANCE WARNING YESTERDAY AFTERNOON THAT THIS WOULD BE OUR POSITION, THOUGH AT THAT TIME HE HAD NOT SEEN THE PRIME MINISTER'S REPLIES IN PARLIAMENT. HE THOUGHT THAT LISTRE HAD RECEIVED INSTRUCTIONS OVERNIGHT FROM COSTA MENDEZ AND PERHAPS THE AUTHORITIES IN BUENOS AIRES. 3. PEREZ DE CUELLAR WENT ON TO SAY THAT LISTRE HAD THIS MORNING TOLD HIM THAT THE TERMS ON WHICH ARGENTINA COULD ACCEPT A CEASEFIRE WERE AS FOLLOWS: (A) A TOTAL CEASEFIRE WITH SUSPENSION OF ALL OPERATIONS BY TROOPS, SHIPS AND AIRCRAFT, WHICH WOULD REMAIN IN THE PLACES WHERE THEY WERE LOCATED AT THE MOMENT OF THE CEASEFIRE:

INSTRUCTIONS OVERNIGHT FROM COSTA MENDEL AND PERHAPS THE AUTHORITIES IN EVENOS AIRES. TOLD HIM THAT THE TERMS ON WHICH ARGENTINA COULD ACCEPT A CEASEFIRE WERE AS FOLLOWS: THEY WERE LOCATED AT THE MOMENT OF THE CEASEFIRE:

- 3. PEFEZ DE CUFLLAR WENT ON TO SAY THAT LISTRE HAD THIS MORNING
- " (A) A TOTAL CEASEFIRE WITH SUSPENSION OF ALL OPERATIONS BY TROOPS. SHIPS AND AIRCRAFT, WHICH WOULD REMAIN IN THE PLACES WHERE
 - (B) SIMULTANEOUSLY WITH ACCEPTANCE OF THE CEASEFIRE BY THE PARTIES A UN MISSION WOULD BE DESPATCHED TO MONITOR COMPLIANCE WITH THE CEASEFIRE. THE TASKS OF GROUND. SEA AND AIR OBSERVATION WOULD BE CARRIED OUT IN ACCORDANCE WITH THE NECESSARY CONDITIONS FOR THEM TO BE EFFECTIVE, AS DECIDED BY THE SECRETARY-GENERAL OF THE UNITED NATIONS:
 - (C) IF NECESSARY SEPARATION ZONES WOULD BE ESTABLISHED ON SEA AND LAND:
 - (D) THE PARTIES WOULD NOT UNDER ANY CIRCUMSTANCES BE PERMITTED TO CARRY OUT ANY MILITARY REINFORCEMENT ACTION WITHIN THE ZONES OF OPERATION AND THE ZONES OF COMMUNICATION OF THE RESPECTIVE FORCES:
 - (E) THE UN WOULD MAKE IT POSSIBLE FOR THE FOOD, CLOTHING AND HEALTH REQUIREMENTS OF THE GROUND, SEA AND AIR FORCES AND THE POPULATION OF THE ISLANDS TO BE MAINTAINED DURING THE PERIOD NECESSARY FOR THE NEGOTIATION:
 - (F) THE CEASEFIRE WOULD BEGIN AT TIME 'T' WHICH WOULD COINCIDE WITH THE ARRIVAL OF THE UN TEAM. SIMULTANEOUSLY WITH THE BEGINNING OF THE CEASEFIRE, NEGOTIATIONS ON THE WITHDRAWAL OF THE FORCES OF BOTH PARTIES AND ON INTERIM ADMINISTRATION OF THE ISLANDS BY THE UN WOULD BE REINITIATED. "

PEREZ DE CUELLAR ADDED THAT IT WAS CLEAR FROM THIS THAT THE ARGENTINES FELT THAT THE MODALITIES OF WITHDRAWAL WOULD BE A MATTER FOR NEGOTIATION DURING (REPEAT DURING) THE CEASEFIRE. TOGETHER WITH ARRANGEMENTS FOR ADMINISTRATION OF THE ISLANDS DURING AN INTERIM PERIOD.

4. PEREZ DE CUELLAR ASKED FOR YOUR REACTION TO THESE IDEAS AS SOON AS POSSIBLE (SEE MY IMMEDIATELY FOLLOWING TELEGRAM). LISTRE HAD UNDERTAKEN TO OBTAIN HIS AUTHORITIES' REACTION TO OUR IDEAS (PARAGRAPH 1 ABOVE) AND HAD SAID THAT HE MIGHT HAVE SOMETHING TO TELL PEREZ DE CUELLAR TOMORROW (29 MAY). PEREZ DE CUELLAR WOULD SPEND THE WEEKEND IN NEW YORK. COSTA MENDEZ WAS STILL IN WASHINGTON AND HE DID NOT KNOW WHETHER HE WOULD BE COMING BACK TO NEW YORK AFTER THE DAS MEETING.

WITH THE ARRIVAL OF THE UN TEAM. SIMULTANEOUSLY WITH THE BEGINNING OF THE CEASEFIRE, NEGOTIATIONS ON THE WITHDRAWAL OF THE FORCES OF BOTH PARTIES AND ON INTERIM ADMINISTRATION OF THE ISLANDS BY THE UN WOULD BE REINITIATED. .. · PEREZ DE CUELLAR ADDED THAT IT WAS CLEAR FROM THIS THAT THE ARGENTINES FELT THAT THE MCDALITIES OF WITHDRAWAL WOULD BE A MATTER FOR NEGOTIATION DURING (REPEAT DURING) THE CEASEFIRE, TOGETHER WITH ARRANGEMENTS FOR ADMINISTRATION OF THE ISLANDS DURING AN INTERIM PERIOD. 4. PEREZ DE CUELLAR ASKED FOR YOUR REACTION TO THESE IDEAS AS SOON AS POSSIBLE (SEE MY IMMEDIATELY FOLLOWING TELEGRAM). LISTRE HAD UNDERTAKEN TO OBTAIN HIS AUTHORITIES' REACTION TO OUR IDEAS (PARAGRAPH 1 ABOVE) AND HAD SAID THAT HE MIGHT HAVE SOMETHING

TO TELL PEREZ DE CUELLAR TOMORROW (29 MAY). PEREZ DE CUELLAR WOULD SPEND THE WEEKEND IN NEW YORK. COSTA MENDEZ WAS STILL IN WASH INGTON AND HE DID NOT KNOW WHETHER HE WOULD BE COMING BACK TO NEW YORK AFTER THE DAS MEETING.

5. I CONFINED MYSELF TO SAYING THAT THE ARGENTINE IDEAS WERE MUCH AS WE HAD EXPECTED. I COULD NOT BE OPTIMISTIC. BUT AT LEAST THEY HAD STATED THEIR POSITION WITH CLARITY ("DARK CLARITY", PEREZ DE CUELLAR COMMENTED). I UNDERTOOK TO REPORT TO YOU AND SEEK YOUR REACTION.

6. SEE MY IMMEDIATELY FOLLOWING TELEGRAM.

PARSONS

NNNN

CONFIDENTIAL COVERING SECRET

FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION) : 0700 HOURS, 31 MAY 1982

United Nations

There have been no overnight developments in New York.

York telno. C (FCO telno New York)

A (FCO telno. 2. Instructions were sent to Sir A Parsons to tell Perez New York) unacceptable. The British position remains as set out in the B (UKMIS New Foreign and Commonwealth Secretary). 484 to UKMIS de Cuellar that the Argentine terms for a ceasefire are quite Foreign and Commonwealth Secretary's message of 27 May, which HMG would prefer Perez de Cuellar to paraphrase rather than publish when, as seems inevitable, he has to report failure to the Security Council. On international security arrangements, 475 to UKMIS HMG would prefer them to be outside the UN, but Sir A Parsons is instructed simply to tell Perez de Cuellar that HMG do not exclude UN coordination.

D (UKMIS New York telno. 894)

3. Sir A Parsons has replied that it would be better to have something which could be published setting on record the British view. This could best take the form of a new message from the Foreign and Commonwealth Secretary to Perez de Cuellar setting out the British position on acceptable terms for a ceasefire, taking into account the Argentine position. If this is agreed he would require such a message by 1400Z on 31 May.

Haig's Ideas

1088 to Washington)

E (FCO telno. 4. HM Ambassador in Washington was informed that Haig's ideas are being carefully studied, but a full response is unlikely before 1 June.

telno.1969)

F (Washington 5. Haig has commissioned a study of possible US help in providing food and medicine for the Argentine prisoners as well as in repatriating them after the fighting is over. This would be part of an international effort, although the US would bear the brunt. The plan would be designed to mend fences with the Argentinians and other Latin Americans as well as to offer practical help to the UK.

telno.1968)

G (Washington 6. President Reagan and Mr Haig would like to have a private talk with the Prime Minister and the Foreign and Commonwealth Secretary in the context of the Versailles Summit. They suggest meeting from 1500 to 1630 on Friday, 4 June.

Comment

Action arising from overnight developments is required on Sir A Parsons' suggestion of a new statement for the public record of our position on a ceasefire.

31 May 1982

R/M Jackson Emergency Unit CONFIDENTIAL

FM FCO 271524Z MAY 82

TO FLASH UNHIS NEW YORK

TELEGRAM NUMBER 475 OF 27 MAY

AND TO IMMEDIATE WASHINGTON

YOUR TELNO 868 AND PARA 4 OF WASHINGTON TELNO 1915

FALKLANDS: SECRETARY GENERAL'S NEW MANDATE

1. PLEASE DELIVER THE FOLLOWING REPLY FROM ME TO THE SECRETARY GENERAL'S QUESTION IN PARA 3 OF YOUR TUR OR IF YOU PREFER, SPEAK FROM IT. YOU SHOULD KEEP IN MIND IN YOUR DISCUSSION WITH THE SYG THAT IT IS AS MUCH IN OUR OWN INTEREST AS IN HAIG'S TO SPIN OUT THE SECRETARY GENERAL'S PRESENT EFFORTS.

EEGINS:

I AM GLAD THAT YOU ARE UNDERTAKING RENEWED EFFORTS FOR A
PEACEFUL SETTLEMENT TO THE PRESENT CRISIS. YOU CAN BE ASSURED
THAT THE BRITISH GOVERNMENT WILL COOPERATE FULLY
IN YOUR EFFORTS.

AS YOU KNOW BETTER THAN ANYONE, SEVERAL MAJOR ATTEMPTS HAVE BEEN MADE FOR A PEACEFUL END TO THE CRISIS. THE UK ACCEPTED THE PROVISIONS OF SECURITY COUNCIL RESOLUTION 502, WHICH REMAINS THE BASIS OF BRITISH POLICY, AND HAS PARTICIPATED CONSTRUCTIVELY AND ACTIVELY IN THE EFFORTS FOR A SETTLEMENT. ARGENTINA, BY CONTRAST, HAS REFUSED TO IMPLEMENT RESOLUTION 502 AND HAS TURNED DOWN SUCCESSIVE PROPOSALS BY THE US SECRETARY OF STATE, THE PRESIDENT OF PERU IN CONSULTATION WITH THE US AND THEN BY YOURSELF AFTER YOUR COURAGEOUS FIRST ATTEMPT TO END THE CRISIS.

YOU HAVE ASKED ABOUT THE BRITISH GOVERNMENT'S DEFINITION OF ACCEPTABLE TERMS FOR A CEASEFIRE. IN OUR VIEW, A CEASEFIRE WHICH WAS NOT LINKED INSEPARABLY TO ARGENTINE WITHDRAWAL WOULD IVE ARGENTINA ANOTHER OPPORTUNITY FOR PROCRASTINATION THROUGH INTRANSIGENCE. THE BRITISH ANSWEP TO YOUR QUESTION IS THÉREFORE THAT A CEASEFIRE IS HIGHLY DESIRABLE AND WOULD BE

ACCEPTABLE

CONFIDENTIAL

ACCEPTABLE IF IT WAS INSEPARABLY LIMITED TO THE COMMENCEMENT OF ARGENTINE WITHDRAWAL AND THE COMPLETION OF THAT WITHDRAWAL WITHIN A FIXED PERIOD.

ONE REASON FOR THIS BRITISH VIEW IS AFGENTINA'S RECORD

OF DELIBERATE DELAY AND INFLEXIBILITY IN REGOTIATIONS. A

CHANGE OF POSITION BY ARGENTINA INVOLVING WILLINGNESS TO

IMPLEMENT RESOLUTION 502 COULD TRANSFORM THE SITUATION. IT

WOULD BE NOOT ENCOURAGING IF, IN YOUR RESUMED EFFORTS FOR PEACE

UNDER THE MANDATE OF SECUPITY COUNCIL RESOLUTION 505, YOU

COULD OBTAIN FROM ARGENTINA CONVINCING EVIDENCE OF SUCH A CHANGE.

ARGENTINA'S IMMEDIATE RESPONSE TO YOUR QUESTION YESTERDAY

MAY NOT DO THIS, IN WHICH CASE I HOPE WOULD GO BACK TO THEM ON

THE POINT.

IF YOU DECIDED TO VISIT RUENOS AIRES OR SEND AN EMISSARY THERE, A VISIT TO LONDON, PERHAPS IMMEDIATELY AFTERWARDS, WOULD BE MOST WELCOME TO THE BRITISH GOVERNMENT. I SHOULD LIKE TO SHARE WITH YOU SOME IDEAS ABOUT THE FUTURE IN THE LONG TERM.

THE UNITED KINGDOM'S POLICY WITH REGARD TO THE FALKLAND
ISLANDS IS EASED ON OUR DESIRE TO IMPLEMENT ARTICLE 73 OF THE UNITED MATIONS CHARTER. THAT OF COURSE REQUIRES THE MAINTENANCE OF THE SECURITY OF THE ISLANDS, SO THAT THE PEOPLE'S INTERESTS AND THEIR WELL BEING CAN BE SAFEGUARDED. GIVEN ARGENTINA'S INVASION,
THE FUTURE SECURITY OF THE ISLANDS CAN BE ENSURED ONLY BY A CONTINUED BRITISH MILITARY PRESENCE OR PERHAPS BY NEW INTERNATIONAL SECURITY ARRANGEMENTS. IN THE VIEW OF THE BRITISH GOVERNMENT,
SUCH ARRANGEMENTS WOULD REQUIRE THE PARTICIPATION OF THE UNITED STATES. IF SUCH ARRANGEMENTS COULD BE DEVISED, THE QUESTION OF BRITISH MILITARY WITHDRAWAL FROM THE ISLANDS COULD BE SEEN IN A NEW LIGHT.

ENDS.

2. WASHINGTON: PLEASE DELIVER A COPY OF THE ABOVE TO HAIG.

PYN

[COPIES SENT TO NO 10 DOWNING STREET]

FAIRLANDS SELECTIVE HD/EMERGENCY UNIT HD/S AM D HD/DEF D ED/PLANNING STAFF ED/UND HD/NEWS D ED/ERD HD/ECD (E) ED/PUSD DEP HD/PUSD HD/RES D PS/MR HURD PS/MR ONSLOW PS/LORD BELSTEAD PS/PUS MR BULLARD SIR I SINOLAIR MR GIFFARD MR WRIGHT MR GILLMORE ME URE MR BARRETT

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

NYFO 003/31 00 F C 0 DESKBY 3103307 GRS 230 3 0 MAY 1982 CONFIDENTIAL DESKBY 310330Z FROM UKMIS NEW YORK 310121Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 894 DATED 30 MAY 82 INFO IMMEDIATE WASHINGTON YOUR TELNO 484: FALKLANDS 1. I THINK THAT IT WOULD BE IN OUR INTERESTS TO AUTHORIZE PEREZ DE CUELLAR TO PUBLISH A MESSAGE FROM YOU IN HIS REPORT TO THE SECURITY COUNCIL. THIS IS FOR TWO REASONS: FIRST, HE WILL ALMOST CERTAINLY PUBLISH THE ARGENTINE TERMS FOR A CEASEFIRE: SECONDLY, I HAVE REASON TO BELIEVE THAT HE MADE MUCH WITH THE ARGENTINES OF THE PRIME MINISTER'S ANSWERS IN PARLIAMENT ON 27 MAY. ON BOTH COUNTS. IT WOULD BE BETTER FOR THE COUNCIL TO BE TOLD OF OUR POSITION IN OUR OWN WORDS RATHER THAN IN A PARAPHRASE BY PEREZ DE CUELLAR OF YOUR MESSAGE OF 27 MAY AND THE PRIME MINISTER'S REPLIES IN THE HOUSE. 2. IF YOU AGREE WITH THE ABOVE. I RECOMMEND THAT YOU SHOULD SEND ME BY 311400Z A FRESH MESSAGE SETTING OUT THE TERMS ON WHICH WE COULD ACCEPT A CEASEFIRE. TAKING INTO ACCOUNT THE ARGENTINE POSITION ATGIVEN TO ME BY PEREZ DE CUELLAR ON 28 MAY. (I EXCLUDE THE ALTERNATIVE OF AUTHORIZING HIM TO PUBLISH A BOWDLERIZED VERSION OF YOUR MESSAGE OF 27 MAY, AS I THINK HE MIGHT HAVE RESERVATIONS ABOUT THIS). PARSONS NNNN

ACTION SECRET OO WASHINGTON OO UKMIS NEW YORK GRS 100 SECRET FII FCO 301910Z MAY 82 TO IMMEDIATE WASHINGTON TELEGRAM NUMBER 1088 OF 30 MAY INFO IMMEDIATE UKMIS NEW YORK YOUR TELS NOS 1963 AND 1964: FUTURE OF THE FALKLANDS 1. HAIG'S IDEAS ARE BEING EXAMINED VERY CAREFULLY, BUT THEY REQUIRE A GOOD DEAL OF FURTHER CONSIDERATION BY MINISTERS. WE FORESEE THAT IT WILL PROBABLY NOT REPEAT NOT BE POSSIBLE TO TRANSMIT A FULL RESPONSE TO HIM THROUGH YOU BEFORE TUESDAY 1 JUNE. 2. STRICTLY FOR YOUR OWN BACKGROUND INFORMATION, OUR FEELING IS THAT THAT WILL NOT REPEAT NOT BE TOO LATE IN RESPECT OF THE PSYCHOLOGICAL ANGLE, THE IMPORTANCE OF WHICH

. WE UNDERSTAND.

PYM

ACTION

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RR UKMIS NEW YORK

GR 275
CONFIDENTIAL
FM WASHINGTON 301950Z MAY 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 1969 OF 30 MAY
INFO UKMIS NEW YORK

MY TELNO 1963: FALKLANDS: U S ASSISTANCE

(69)

30 MAY 1982



1. WHEN I SAW HAIG YESTERDAY THE QUESTION AROSE WHETHER THE U S MIGHT BE ABLE TO PROVIDE FOOD AND MEDICINES FOR ARGENTINE PRISONERS OF WAR ON THE FALKLANDS AS WELL AS HELP WITH REPATRIATION ONCE THE PRACTICAL ASSISTANCE AND MENDING FENCES WITH THE ARGENTINIANS AT THE SAME TIME.

2. WE HAVE NOW LEARNED FROM THE PANTAGON THAT, AT HAIG'S REQUEST, THEY HAVE WORKED OVERNIGHT ON A DETAILED PAPER SETTING OUT WHAT MIGHT BE INVOLVED. THIS PAPER HAS NOW GONE TO THE STATE DEPARTMENT AND I WOULD EXPECT HAIG TO RAISE THE SUBJECT AGAIN WITH ME SOON. THE PENTAGON HAVE TOLD OUR DEFENCE STAFF THAT THEIR PREPARATORY WORK IS BEING COMFINED TO A SMALL CIRCLE AROUND WEINBERGER, PRESUMABLY BECAUSE THEY DO NOT WANT THE ARGENTINIANS TO KNOW THAT THE U S IS THINKING ABOUT WHAT SHOULD HAPPEN IN THE EVENT OF THEIR DEFEAT.

3. THE PENTAGON ARE NOT PREAPRED TO GO INTO DETAIL AT THIS STAGE.

THE U.S. IS THINKING ABOUT WHAT SHOULD HAPPEN IN THE EVENT OF

3. THE PENTAGON ARE NOT PREAPRED TO GO INTO DETAIL AT THIS STAGE. THEY DID, HOWEVER, MAKE IT CLEAR THAT THE U S WAS KEEN TO HELP ALTHOUGH, FORMALLY SPEAKING, THEY COULD ONLY GET INVOLVED IF WE WERE TO ASK. THEY ARE NOT THINKING OF OFFERING HELP WITH THE PRISONERS WE HAVE JUST TAKEN BUT ARE LOOKING AHEAD TO THE PROBLEM WE WOULD FACE IF WE HAD 10,000 PRISONERS ON OUR HANDS. THEIR PLANNING APPEARS TO COVER IMMEDIATE FOOD AND MEDICA COULD BE FLOWN IN. AS WELL AS LATER ARRANGEMENTS TO SHIP THE PRISONERS BACK TO ARGENTINA. THE PENTAGON MADE IT CLEAR THAT, IN THE SECOND STAGE, THE U S WOULD NOT WISH TO OPERATE ON ITS OWN, BUT AS PART OF SOME INTERNATIONAL ARRANGEMENT CONCEIVABLY ALSO INVOLVING BRAZIL. THE ICRC WOULD ALSO NEED TO GIVE ITS BLESSING. THE PENTAGON CLEARLY ENVISAGED THAT. EVEN IF BRAZIL WERE INVOLVED, THE U S WOULD BEAR THE BRUNT OF THE OPERATION BUT BRAZILIAN PARTICIPATION WOULD MAKE THE U.S ROLE MORE ACCEPTABLE TO ARNENTINA AND THE OTHER LATIN AMERICANS. THE AMERICANS MAY ALSO SEE THIS AS A RELATIVELY LOW-KEY WAY OF INTRODUCING AN INTERNATIONAL ELEMENT INTO THE SITUATION FOLLOWING AN ARGENTINE COLLAPSE.

4. I SHOULD EMPHASISE THAT THE AMERICANS HAVE AS YET MADE NO FORMAL APPROACH TO US AND THE STATE DEPARTMENT/PENTAGON PAPER ON WHAT WOULD BE INVOLVED WILL ONLY JUST HAVE BEEN PUT TO HAIG.

HENDERSON

NNNN

IMMEDIATE WONNY \$63/30 00 FCO Hd Em. Unit. PP UKMIS NEW YORK GR 100 Nº 10. DS. hard Builder CONFIDENTIAL FM WASHINGTON 301902Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 1968 OF 35 MAY INFO PRIORITY UKMIS NEW YORK YOUR TEL NO 1882 BILATERAL WITH REAGAN HAIG HAS TELEPHONED TO SAY THAT THE PRESIDENT AND HE ARE EAGER TO SEE THE PRIME MINISTER AND YOU IN FRANCE ON FRIDAY EVENING. THE DIFFICULTY IS THAT THERE IS A BOAT TRIP AT VERSAILLES IN THE EARLY PART OF THE EVENING. THEY WOULD GLADLY AVOID IT BUT FEAR THIS WOULD OFFEND MITTERAND. THEY SUGGEST, INSTEAD, MEETING IN PARIS FROM 1500 TO 1630 EITHER AT U.S.A. EMBASSY OR RESIDENCE. WOULD THIS BE POSSIBLE FOR US? HENDERSON NNNN

Military Action

1. The Ministry of Defence have said that British ships bombarded Argentine positions in the vicinity of Port Stanley. Argentine reports that Invincible had been hit by Exocet missiles have been denied by the Ministry of Defence who announced that no damage had been sustained by British ships during the Argentine air attack on the Task Force.

2. This may have been the quietest 24 hours since the beginning of the crisis.

31 May 1982

Emergency Unit

OO MONTEVIDEO

GRS 191

CONFIDENTIAL

FM FCO 302115Z MAY 32

TO IMMEDIATE MONTEVIDEO

TELEGRAM NUMBER 310 OF 30 MAY 1982

AND TO IMMEDIATE UKMIS GENEVA

REPEATED FOR INFO: PRIORITY BRASILIA, PRIORITY BERNE

MODUK (DS 11, DS8, DS5)



- REPATRIATION OF ARGENTINE CASUALTIES
- 1. FOLLOWING THE OPERATIONS AT PORT DARWIN AND GOOSE GREEN, WE NOW HAVE A LARGE NUMBER OF ARGENTINE PRISONERS AND CASUALTIES. WE NEED TO REPATRIATE ARGENTINE CASUALTIES (ONLY REPEAT ONLY CASUALTIES) AS SOON AS POSSIBLE. THE HECLA IS A USEFUL PRECEDENT. WE NOW NEED TO ESTABLISH COMPREHENSIVE DIP. CLEARANCE FOR BRITISH HOSPITAL SHIPS TO ENTER MONTEVIDEO FOR THE DISCHARGE OF CASUALTIES.
- 2. IT IS NOT POSSIBLE TO SAY HOW MANY OR HOW FREQUENTLY THESE TRANSFERS MIGHT BE MADE. BUT EACH SHIP WOULD BE ABLE TO GIVE FOUR DAYS' NOTICE OF ARRIVAL AT MONTEVIDEO. THIS SHOULD ALLOW SUFFICIENT TIME FOR NECESSARY ARRANGEMENTS TO BE MADE.
- 3. GRATEFUL IF YOU WOULD APPROACH THE URUGUAYAN AND ICRC AUTHORITIES TO ESTABLISH WHETHER THIS IS ACCEPTABLE IN PRINCIPLE.
- 4. OUR TELEGRAM NO.308: YOU SHOULD NOTE THAT HMS HECLA HAS NO NIGHT FLYING CAPABILITY AND THAT TRANSFER OF ICRC REPRESENTATIVES SHOULD THEREFORE BE DURING DAYLIGHT HOURS.

PYM

FALKLAND ISLAND GENERAL

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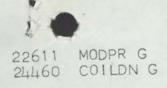
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HAVE A GOOD DAY

MV 22611 MODPR G 825911 ADRAFE G

AT 0722Z BY D2 OUR REF 300400Z MAY 82

PRIORITY

P 300400Z MAY 82 FM PR 3 CDOBDERM TO MOD PRESS OFFICE TELEX 22611 BT UNCLAS FROM ROBERT FOX, BBC WITH 2 PARA AT ONE END OF THE GOOSE GREEN STTLEMENT A UNION JACK NOW FLIES HIGH ABOVE A SCHOOL, AND AT THE OTHER END THE FLAG OF THE SECOND BATTALION, THE PARACHUTE REGT, AFTER A WHOLE DAY'S BITTER FIGHTING AND A MORNINGS'S DELICATE SURRENDER NEGOTIATIONS THE CHEER OF LIBERATION CAME IN THE EARLY AFTERNOON. WOMEN HANDED ROUND CUPS OF TEA IN ROYAL WEDDING MUGS, CHILDREN CARRIED ROUND TINS OF SWEETS AND BISCUITS TO THE YOUNG PARAS, THEIR FACES STILL CAMOUFLAGED AND THEIR EYES BLEARY WITH EXHAUSTION. FOR NEARLY A MONTH, 114 PEOPLE HAD BEEN SHUT UP BY THE ARGENTINIANS IN COMM-UNITY HALL. THEIR HOUSES HAD BEEN RAIDED WITH FURNITURE SMASHED AND EXCREMENT ON THE FLOOR. THE STORE HAD BEEN LOOTED, THE ARGENTINE TROOPS WERE UNDERFED AND IN ONE HOUSE USED BY PILOTS IT SEEMED THE OFFICERS WERE HOARDING TINNED FOOD. THE ARGENTINZS

PAGE 2 RBDAPZ 5003 UNCLAS COMMITTED ACTS OF PETTY MEANNESS SMASHING AND STEALING RADIOS AND SHOOTING UP A SHEPHERD FROM A HELICOPTER AS HE TENDED HIS SHEEP. NOW THE 1200 OR SO PRISONERS ARE BEING MADE TO CLEAR UP THE MESS THEY MADE IN THE SETTLEMENT. THE SURRENDER CAME AFTER A 14 HOUR BATTLE THE PREVIOUS DAY. IT BEGAN BEFORE DAWN, A FULL BATTALION ASSAULT ON AN ENEMY TWICE AS NUMEROUS AS EXPECTED, ALMOST 1,500 IN ALL AND VERY WELL DUG IN THE ATTACK BEGAN UNDER NAVAL GUNFIRE AND SHELLS LIT THE SKY AS THE PARAS MOVED FORWARD. BUT IN THE DAYLIGHT THEY WERE ON THEIR OWN COVERED ONLY BY GUNS AND MORTARS, THE ENEMY WERE FALL-ING BACK SLOWLY THROUGH PREPARED POSITIONS. AT EACH POST THEIR OWN MORTARS HAD BEEN RANGED PERFECTLY. TIME AND AGAIN WE WERE PINNED DOWN BY MORTATS AND FIRE FROM ANTI-AIRCRAFT GUNS. I WAS WITH THE BATTALION HEADQUARTERS AND IF WE WERE WITHIN TEN FEET OF DEATH FROM SHRAPNEL AND SHELLS ONCE WE WERE THERE 40 TIMES. AROUND MID MORNING WE WERE PINNED DOWN IN A FOLD IN THE LAND BY MORTAR FIRE WHEN THE FIRST PRISONERS AND CASUALTIES CAME IN. THE PRISONERS MADE A PATHETIC SIGHT LOOKING FOR THEIR OWN DEAD AND PREPARING THEM FOR BURIAL. THIS WAS INTERRUPTED BY AN AIR ATTACK FROM PUCCARA AIRCRAFT. AS THEY SWUNG ACROSS THE SKY EVERY FIREARM

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FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION) 0700 HOURS, 30 MAY 1982

United Nations

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According to the Secretary-General the Deputy Argentine Representative told him that our terms for an acceptable ceasefire represented an Argentine surrender; the only point in which Argentina bad shown interest was the reference to 'international security arrangements': he had asked whether we were thinking of something under UN auspices or similar to the Sinai MFO. Sir A Parsons undertook to seek clarification. Perez de Cuellar is expecting a UK response to the Argentine terms for a ceasefire on 31 May, whereupon he will presumably have to report failure to the Security Council; he would be grateful to know whether he could at that point make public the text of the Foreign and Commonwealth Secretary's message of 27 May. Sir A Parsons needs instructions by 1400Z on 31 May.

Organisation of American States

Kashington einos. 1957 nd 1958)

- 2. The OAS meeting adopted on 29 May a harsh Resolution inter alia condemning the UK for its aggression, calling on the US to cease support for the UK, calling on the US, RC and others to lift sanctions and inviting OAS Members to assist Argentina as appropriate.
- The Resolution was in some ways tougher than the original Argentine draft: Venezuela was apparently assertive during the closed session, the moderating role of Mexico and Brazil was less in evidence than before and the US was almost totally defeated. The Embassy comment that the Argentinians might now assume that Latin American support for them is even greater and harden their negotiating position. Raig stood admirably firm during the meeting which challenged the US rôle in the Inter-American system, an issue to which the US Administration have attached high priority.

Haig's Ideas

Mushington elno.1960)

Sir N Renderson saw Secretary of State Haig twice on 29 May, At the first meeting Haig said he was anxious that we should not enter ceasefire or armistice arrangements without indicating that the future could hold something other than humiliation for the Argentinians. Whatever we thought, we should avoid saying that there never could or should be a transfer of sovereignty. Looking to the period after the British retake the Islands, Hair sketched out off-the-cuff a scenario which he developed in his later meeting with Sir N Henderson.

5. Sir N Henderson comments on a number of issues arising from Washington this first meeting. The Americans are concerned at what some of e)no. 1961) them perceive as a hardening of the British attitude. Sir K Henderson corrected some misconceptions. Haig foresaw that Perez de Cuellar would blame the UK for the failure of his latest mission. Sir N Henderson said this was not our reading of his likely attitude



Haig asked us not to deviate from Security Council Resolution 502: we and the Americans would have a hard time in the Council. In his general anxiety about the effect of the Palklands crisis on relations with Latin America, Baig said his principal current concern was about the impact on Central America and the future of President Reagan's Caribbean Basin initiative.

Hishington In 18, 1963 d 1964)

- 6. At his second meeting with Sir N Benderson Haig explained his tentative ideas in more detail. They envisage the launching of a US/Brazilian initiative (the Brazilians have not been consulted) before the final defeat of Argentine forces on the Island. If we insisted on waiting until after the defeat then any proposals could only come from London. The US/Brazil approach would embrace:
 - (i) general and permanent ceasefire, temporary British military administration, lifting of all sanctions;
 - (ii) introduction of US/Brazil peacekeeping force;
 - (iii) withdrawal of Argentine forces;
 - (iv) creation of UK/US/Brazil/Argentina contact group;
 - (v) end of military administration, setting up of local self-government under contact group;
 - (vi) withdrawal of British forces;
 - (vii) negotiations for definitive settlement of dispute;
 - (viii) no prejudicial actions by parties to dispute.
- 7. Haig also gave his view that restoration of local administration does not include return of a Governor; Britain should not publicly espouse independence or semi-independence as a goal; there should be some agreement on non-reintroduction of forces after withdrawal; and the contact group would stay on indefinitely. Haip hoped we could give him a response to these ideas by 31 May; if it was favourable he would put them to the Argentinians on a take it or leave it basis. He made it clear that he wanted to keen in step with us and would understand if we had doubts or difficulties, but thought that this approach would greatly improve the US and UK position in Latin America even if the Argentinians rejected it.

Peruvian Views

t telno.

8. HM Ambassador in Lima reports that President Belaunde is becoming increasingly worried about the implications of the failure of his peace efforts. The Ambassador suggests that we should consider sending a friendly message to the President.

Comment

9. Although no doubt intended to be helpful, Haig's latest proposals present us with some points of difficulty. We shall have to consider urgently what we can give him tomorrow and whether to try to head him off raising some aspects with the Argentines.

10. At the UN, we seem to be mafe from the Security Council today and perhaps until Tuesday. We have to decide whether Perez de Cuellar can make public Mr Pym's message to bim of 27 May; and whether to be more forthcoming on 'international security arrangements'.

30 May 1982

R M Jackson Emergency Unit



FALKLAND ISLANDS : FOO SITREP : 0730 HOURS, 30 MAY

DAS

1. The Rio Treaty meeting accepted a barsh Resolution condemning the UK, calling on the US to cease supporting Britain and inviting Rio Treaty signatories to assist Argentina individually or collectively. Four countries, US, Trinidad, Chile and Colombia, voted against the Resolution.

Military Action

2. The Ministry of Defence announced that 900 Argentine prisoners had been taken at Goose Green. Details of casualties were not given but the death of the Officer Commanding 2nd Battalion, the Parachute Regiment, Lt Col Herbert Jones, was announced.

Hospital Ships

3. The Argentine Government warned that unless SS Uganda retreated to a distance which left no doubt as to her activity by the beginning of 29 May, she would be treated as a hostile ship. HMG repeated their assurances that the ship was being used solely as a hospital shipin strict accordance with the Geneva Convention and pointed out that she was rendering assistance to Argentine as well as British casualties.

30 May 1982

Emergency Unit



Secretary of State for Defence

Duly Clark 10 Downing Smeet

The attached

Press copy has just been received. It has now par been released but the but Private Severing with wish to see this taily early.

Deren Private

APS | Depend Severing

30/0/82

From: Laurie Phillips, CPRO The following piece came through on Satcom at 300145A May from Robert Fox, BBC. Fox informs that he plus Stephen Norris, Daily Mail, were with 2 Para on the assault. Argentine positions well prepared. Dug in with overhead cover. 2. Tended to neutralise our artillery fire. Series of fall back positions also prepared. Argentine supporting arms were accurate and heavy particularly mortars, anti-aircraft guns used in ground role objective. Also Argentines mounted Puccara rockets on to mounts such as slide in children's playground. Death of Colonel Jones. It would appear that the two lead companies came under machine gun fire fairly early on and attack began to lose momentum. Colonel Jones went to the front and took one platoon to try and destroy the machine gun position. During the attempt he was killed by machine gun fire. Surrender. Major Chris Keeble second in command and Major Tony Rice Battery Commander 29 Battery took the surrender. Fox and Norris Daily Mail invited / civilian witnesses, 250 Air Force personnel came out first, all stood to attention harangued by an officer for about 15 minutes then sang the national anthem and then flung down their equipment into a pile with obvious relief. About 800 army personnel followed with no such show. POWs taken about 1,250. Conditions in Darwin and Goose Green. Argentine Forces have left both settlements in a mess. Standards of hygiene appear similar to those / South Georgia. Evidence of dysentery and other similar diseases. There was evidence of looting and hoarding of food by officers. There were no civilian casualties as a result of battle, but RAP did treat two civilians for unspecified illness. Union Jack now flying one end of settlement. Pegasus flag at other end. Civilian population providing cups of tea etc. 2 Para morale high.

22611 MODPR G 24460 COILDN G

HAVE A GOOD DAY AND U

MV 22611 MODPR G 825911 ADRAFE G

SENT AT 0722Z BY D2 OUR REF 300400Z MAY 82

PRIORITY

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MOD STATEMENT - 0650 - 29 MAY

- 1. Further reports are awaited on the engagements announced last night at Darwin and Goose Green. No more information has yet been received on casualties, but we have learned that 1 Pucara aircraft was shot down in the vicinity of Goose Green during yesterday's engagement.
- 2. During the course of yesterday ships from the Task Force bombarded military installations in the Port Stanley area. The ships came under fire, but none were hit.
- 3. A further statement will be made when more information becomes available.

Comment

- 7. As expected, the Argentine conditions for a ceasefire are quite unacceptable. Although they come nowhere near meeting the terms of SCR 502, they will command wide support in the context of imminent land hostilities on a large scale. We may shortly have to veto a Resolution that is not as extreme as we should wish.
- . 8. Sir A Parsons will need instructions for Monday morning (assuming that there is no return to the Security Council over the weekend).

29 May 1982

R M Jackson Emergency Unit

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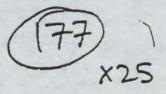
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CONFIDENTIAL
FROM UKMIS NEW YORK 282141Z MAY 82
TO IMMEDIATE F C O
TELEGRAM NUMBER 884 DATED 28 MAY 82
INFO IMMEDIATE WASHINGTON



MY TELNO 874: FALKLANDS: SECRETARY-GENERAL'S MANDATE

1. THE SECRETARY-GENERAL ASKED TO SEE ME AT 1900Z TODAY

(28 MAY). HE HAD SEEN LISTRE (ARGENTINA) AT 1500Z AND HAD TOLD

HIM THAT A CEASEFIRE WOULD BE ACCEPTABLE TO THE UK IF INSEPARABLY

LINKED TO THE COMMENCEMENT OF ARGENTINE WITHDRAWAL AND COMPLETION

OF THAT WITHDRAWAL WITHIN A FIXED PERIOD. HE HAD GONE ON TO SAY

THAT THE UK DID NOT ACCEPT SIMULTANEOUS WITHDRAWAL OF BRITISH

FORCES. THE UK COULD CONSIDER BRITISH WITHDRAWAL BUT FIRST

THEY WOULD WISH TO ATTAIN THE FOLLOWING OBJECTIVES: ARGENTINE

WITHDRAWAL, RESTORATION OF BRITISH ADMINISTRATION, RECONSTRUCTION,
AND CONSULTATIONS WITH THE ISLANDERS (IE THE FOUR STAGES

DESCRIBED BY THE PRIME MINISTER IN THE HOUSE YESTERDAY). BRITISH

WITHDRAWAL MIGHT BE POSSIBLE ONCE THESE FOUR STAGES HAD BEEN

COMPLETED AND IN THE CONTEXT OF INTERNATIONAL SECURITY ARRANGEMENTS

WHICH INCLUDED THE PARTICIPATION OF THE UNITED STATES.

ACTION

2. PEREZ DE CUELLAR SAID THAT HE HAD ALREADY GIVEN LISTRE ADVANCE WARNING YESTERDAY AFTERNOON THAT THIS WOULD BE OUR POSITION, THOUGH AT THAT TIME HE HAD NOT SEEN THE PRIME MINISTER'S REPLIES IN PARLIAMENT. HE THOUGHT THAT LISTRE HAD RECEIVED INSTRUCTIONS OVERNIGHT FROM COSTA MENDEZ AND PERHAPS THE AUTHORITIES IN BUENOS AIRES.

3. PEREZ DE CUELLAR WENT ON TO SAY THAT LISTRE HAD THIS MORNING
TOLD HIM THAT THE TERMS ON WHICH ARGENTINA COULD ACCEPT A

CEASEFIRE WERE AS FOLLOWS:

1. (A) A TOTAL CEASEFIRE WITH SUSPENSION OF ALL OPERATIONS BY TROOPS,
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 - (C) IF NECESSARY SEPARATION ZONES WOULD BE ESTABLISHED ON SEA AND LAND:
 - (D) THE PARTIES WOULD NOT UNDER ANY CIRCUMSTANCES BE PERMITTED TO CARRY OUT ANY MILITARY REINFORCEMENT ACTION WITHIN THE ZONES OF OPERATION AND THE ZONES OF COMMUNICATION OF THE RESPECTIVE FORCES:
 - (E) THE UN WOULD MAKE IT POSSIBLE FOR THE FOOD, CLOTHING AND HEALTH REQUIREMENTS OF THE GROUND, SEA AND AIR FORCES AND THE POPULATION OF THE ISLANDS TO BE MAINTAINED DURING THE PERIOD NECESSARY FOR THE NEGOTIATION:
 - (F) THE CEASEFIRE WOULD BEGIN AT TIME 'T' WHICH WOULD COINCIDE WITH THE ARRIVAL OF THE UN TEAM. SIMULTANEOUSLY WITH THE BEGINNING OF THE CEASEFIRE, NEGOTIATIONS ON THE WITHDRAWAL OF THE FORCES OF BOTH PARTIES AND ON INTERIM ADMINISTRATION OF THE ISLANDS BY THE UN WOULD BE REINITIATED. '

PEREZ. DE CUELLAR ADDED THAT IT WAS CLEAR FROM THIS THAT THE ARGENTINES FELT THAT THE MCDALITIES OF WITHDRAWAL WOULD BE A MATTER FOR NEGOTIATION DURING (REPEAT DURING) THE CEASEFIRE, TOGETHER WITH ARRANGEMENTS FOR ADMINISTRATION OF THE ISLANDS DURING AN INTERIM PERIOD.

4. PEREZ DE CUELLAR ASKED FOR YOUR REACTION TO THESE IDEAS AS SOON AS POSSIBLE (SEE MY IMMEDIATELY FOLLOWING TELEGRAM). LISTRE HAD UNDERTAKEN TO OBTAIN HIS AUTHORITIES' REACTION TO OUR IDEAS (PARAGRAPH 1 ABOVE) AND HAD SAID THAT HE MIGHT HAVE SOMETHING TO TELL PEREZ DE CUELLAR TOMORROW (29 MAY). PEREZ DE CUELLAR WOULD SPEND THE WEEKEND IN NEW YORK. COSTA MENDEZ WAS STILL IN WASHINGTON AND HE DID NOT KNOW WHETHER HE WOULD BE COMING BACK TO NEW YORK AFTER THE OAS MEETING.

WITH THE ARRIVAL OF THE UN TEAM. SIMULTANEOUSLY WITH THE BEGINNING OF THE CEASEFIRE, NEGOTIATIONS ON THE WITHDRAWAL OF THE FORCES OF BOTH PARTIES AND ON INTERIM ADMINISTRATION OF THE ISLANDS BY THE UN WOULD BE REINITIATED. " EREZ DE CUELLAR ADDED THAT IT WAS CLEAR FROM THIS THAT THE ARGENTINES FELT THAT THE MCDALITIES OF WITHDRAWAL WOULD BE A MATTER FOR NEGOTIATION DURING (REPEAT DURING) THE CEASEFIRE. TOGETHER WITH ARRANGEMENTS FOR ADMINISTRATION OF THE ISLANDS DURING AN INTERIM PERIOD. 4. PEREZ DE CUELLAR ASKED FOR YOUR REACTION TO THESE IDEAS AS SOON AS POSSIBLE (SEE MY IMMEDIATELY FOLLOWING TELEGRAM). LISTRE HAD UNDERTAKEN TO OBTAIN HIS AUTHORITIES' REACTION TO OUR IDEAS (PARAGRAPH 1 ABOVE) AND HAD SAID THAT HE MIGHT HAVE SOMETHING TO TELL PEREZ DE CUELLAR TOMORROW (29 MAY). PEREZ DE CUELLAR WOULD SPEND THE WEEKEND IN NEW YORK. COSTA MENDEZ WAS STILL IN WASH INGTON AND HE DID NOT KNOW WHETHER HE WOULD BE COMING BACK TO NEW YORK AFTER THE DAS MEETING. 5. I CONFINED MYSELF TO SAYING THAT THE ARGENTINE IDEAS WERE MUCH AS WE HAD EXPECTED. I COULD NOT BE OPTIMISTIC. BUT AT LEAST THEY HAD STATED THEIR POSITION WITH CLARITY ("'DARK CLARITY", PEREZ DE CUELLAR COMMENTED). I UNDERTOOK TO REPORT TO YOU AND SEEK YOUR REACTION. 6. SEE MY IMMEDIATELY FOLLOWING TELEGRAM. PARSONS NNNN

NYFC @18/28 00 F C 0 GRS 230 CONFIDENTIAL FROM UKMIS NEW YORK 282143Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 885 DATED 28 MAY 82 INFO IMMEDIATE WASHINGTON MY 1.P.T.: FALKLANDS 1. PEREZ DE CUELLAR NOW HAS NO HOPE OF PRODUCING RESULTS. HOWEVER, HE SENT ME A VERY PRIVATE AND INDIRECT MESSAGE (TO WHICH HE DID NOT REFER AT THE PLENARY SESSION) BEFORE LUNCH TO SAY THAT HE WOULD NOT REQUIRE US TO RESPOND BEFORE MONDAY MORNING (31 MAY). 2. PEREZ DE CUELLAR WILL LET ME KNOW OVER THE WEEKEND IF HE HEARS ANY MORE FROM THE ARGENTINE SIDE. HOWEVER, IN THE LIGHT OF THEIR 'TERMS' AS SET OUT IN MY IMMEDIATELY PRECEEDING TELEGRAM WE ARE HEADING FOR THE END OF PEREZ DE CUELLAR'S MISSION ON 31 MAY. NOTHING IS ENTIRELY PREDICTABLE HERE, BUT THIS IS LIKELY TO BRING US. BACK INTO THE SECURITY COUNCIL WHEN EVERYONE REASSEMBLES AFTER THE MEMORIAL DAY WEEKEND ON 1 JUNE. 3. IN THESE CIRCUMSTANCES, I CANNOT SEE THAT THERE IS ANY MORE I CAN DO TO SPIN THINGS OUT FURTHER. AFTER THE TORRENT OF RHETORIC OF THE PAST WEEK, THE COUNCIL DEBATE MAY BE SHORT AND WE MAY WELL FACE A VOTE ON AN UNACCEPTABLE DRAFT RESOLUTION BY 2 OR 3 JUNE. ONLY LATIN AMERICAN LOVE OF SPEECH-MAKING COULD PROLONG MATTERS FOR ANOTHER DAY OR SO. PARSONS

AGTON

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NYFO 604/29

28 MAY 1932

00 FCC

GR 426

GR 420
CONFIDENTIAL
FM UKMIS NEW YORK 290020Z MAY 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 887 OF 28 MAY
INFO IMMEDIATE WASHINGTON

MY TELNO 884: FALKLANDS

1. I HAVE BEEN REFLECTING ON THE LIKELY EFFECT OF THE TAKING OF GOOSE GREEN AND DARWIN ON DEVELOPMENTS HERE.

2. IT IS JUST POSSIBLE THAT, IF THE ARGENTINES THINK THAT AN EARLY COLLAPSE OF ALL THEIR FORCES IN THE FALKLANDS IS IMMINENT, THEY MIGHT (COSTA MENDEZ STILL BEING IN WASHINGTON) PRESS PEREZ DE CUELLAR TO ADMIT IMMEDIATE FAILURE AND TO CALL THE COUNCIL OVER THE WEEKEND WITH A VIEW TO GETTING AN IMMEDIATE AND UNCONDITIONAL DEMAND FOR A CEASEFIRE. IF THEY ARGUED THAT FURTHER DELAY ON HIS PART, IN THE KNOWLEDGE OF THE IRRECONCILABLE NATURE OF OUR RESPECTIVE POSITIONS, MEANT THAT HE WAS CONSCIOUSLY OR UNCONSCIOUSLY ABETTING OUR MILITARY OPERATIONS, HE WOULD FIND IT HARD TO HOLD OUT. 3. AS OF NOW (FRIDAY EVENING) IT SEEMS MORE PROBABLE THAT WE SHALL BE IN THE COUNCIL ON 31 MAY AT THE EARLIEST, MORE LIKELY ON 1 JUNE, WITH A QUICK VOTE IN PROSPECT. AGAIN THE MILITARY SITUATION WHLL BE RELEVANT BUT, WHATEVER IT IS AT THE TIME, IT LOOKS TO ME AS THOUGH IT WILL LEAD TO THE SAME RESULT - A SIMPLE CALL FOR AN IVMEDIATE CEASEFIRE IN SITU TO BE MONITORED BY THE UN. IF IT APPEARS THAT WE ARE POISED TO TAKE STANLEY, THE MOTIVATION WILL BE TO AVOID TOTAL HUMILIATION FOR ARGENTINA. IF A BATTLE IS IN PROGRESS, THE MOTIVATION WILL BE HUMANITARIAN. IF THERE IS A LULL, THE CEASEFIRE CALL MIGHT WELL BE ACCOMPANIED BY ADDITIONAL PROPOSITIONS SUCH AS IMMEDIATE NEGOTIATION BY THE SECRETARY GENERAL

JUNE, WITH A QUICK VCTE IN PROSPECT. AGAIN THE MILITARY SITUATION—WILL BE RELEVANT BUT, WHATEVER IT IS AT THE TIME, IT LOOKS TO ME AS THOUGH IT WILL LEAD TO THE SAME RESULT — A SIMPLE CALL FOR AN IVMEDIATE CEASEFIRE IN SITU TO BE MONITORED BY THE UN. IF IT APPEARS THAT WE ARE POISED TO TAKE STANLEY, THE MOTIVATION WILL BE TO AVOID TOTAL HUMILIATION FOR ARGENTINA. IF A BATTLE IS IN PROGRESS, THE MOTIVATION WILL BE HUMANITARIAN. IF THERE IS A LULL, THE CEASEFIRE CALL MIGHT WELL BE ACCOMPANIED BY ADDITIONAL PROPOSITIONS SUCH AS IMMEDIATE NEGOTIATION BY THE SECRETARY GENERAL OF MUTUAL WITHDRAWAL, OF AN INTERIM UN ADMINISTRATION AND NEGOTIATIONS FOR A DEFINITIVE SETTLEMENT, IE THE MIXTURE AS BEFORE 20 MAY OR SOMETHING LIKE IT.

4. FOR THE MOMENT IT WOULD BE POINTLESS TO SPECULATE FURTHER EVEN ON THE WORDING OF RESOLUTIONS WHICH WE MAY HAVE TO FACE NEXT WEEK. IF THEY INVOLVE UNADORNED CALLS FOR A CEASFIRE IT WILL BE A WASTE OF TIME LOBBYING ANY COUNCIL MEMBERS, EXCEPT THE US AND FRANCE, TO SUPPORT OUR POSITION. AS I HAVE ALREADY REPORTED, IT WILL BE VERY HARD TO KEEP EITHER OR BOTH WITH US. BEYOND THE US AND FRANCE, IT MIGHT JUST BE WORTH THE PRIME MINISTER MAKING A PERSONAL APPEAL TO BURNHAM TO KEEP GUYANA ONLY ONE VOTE AWAY FROM US (IE TO ABSTAIN) IF THE TEXT WAS MANIFESTLY UNACCEPTABLE TO THE UNITED KINGDOM. THE AFRICANS, JORDAN, JAPAN, IRELAND AND SPAIN WOULD PROBABLY BE CO-SPONSORING THE RESOLUTION.

PARSONS

NNNN

CONFIDENTIAL

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= /2 (14)

ACTION

OO BRASILIA
GRS 547
CONFIDENTIAL
FM FCO 281730Z MAY 82
TO IMMEDIATE BRASILIA
TELEGRAM NUMBER 141 OF 28 MAY
INFO WASHINGTON, UKMIS NEW YORK, BOGOTA, LIMA

FALKLAND ISLANDS: CALL BY THE BRAZILIAN AMBASSADOR

- 1. THE BRAZILIAN AMBASSADOR CALLED ON ME AT SHORT NOTICE TODAY ON INSTRUCTIONS FROM PRESIDENT FIGUEIREDO.
- 2. CAMPOS REFERRED TO BRAZIL'S CONSTRUCTIVE POSITION THROUGHOUT THE CRISIS. IT DEPLORED THE ARGENTINE AGGRESSION AND VALUED ITS RELATIONS WITH THE UK. BUT IT WAS ALSO ARGENTINA'S NEIGHBOUR AND HAD A SPECIAL UNDERSTANDING OF ITS DIFFICULTIES. MATTERS WERE NOW AT A CRITICAL POINT. BRITISH INSISTENCE ON AN UNCONDITIONAL ARGENTINE WITHDRAWAL WOULD HAVE A DESTABILIZING EFFECT BOTH ON ARGENTINA AND THE REGION. IF ARGENTINA WAS FACED WITH MILITARY HUMILIATION, IT MIGHT HAVE NO CHOICE BUT TO TURN TO THE SOVIET UNION. THIS WOULD LEAD TO A MAJOR REALIGNMENT BOTH IN ITS EXTERNAL RELATIONS AND ITS DOMESTIC POLITICS. THIS WOULD NOT ONLY FACE THE UK WITH CONTINUED AND COSTLY MILITARY CONFRONTATION BUT WOULD HAVE DAMAGING REGIONAL CONSEQUENCES.
- 3. FIGUEIREDO, AFTER DISCUSSION WITH PRESIDENT TURBAY
 (ALTHOUGH CAMPOS INDICATED THAT BRAZIL WAS NOT DIRECTLY
 ASSOCIATED WITH THE LATEST COLOMBIAN PROPOSALS) WISHED
 TO KNOW WHETHER THE BRITISH POSITION ON ARGENTINE WITHDRAWAL
 AND ON FULL RESTORATION OF BRITISH SOVEREIGNTY WAS IRREVERSIBLE.
 HE HOPED NOT: AND OUR SUPPORT FOR THE SECRETARY-GENERAL'S
 RENEWED MISSION WAS ENCOURAGING. IT WAS ESSENTIAL TO WORK OUT
 SOME FRAMEWORK TO PROVIDE AN EXIT FOR ARGENTINA AND TO AVOID
 SOVIET INVOLVEMENT. HE HOPED THAT WE MIGHT INDICATE A CONTINUED
 WILLINGNESS TO NEGOTIATE A SOLUTION WHICH MIGHT INVOLVE A PHASED
 AND MUTUAL WITHDRAWAL AND INTERIM ADMINISTRATIVE ARRANGEMENTS
 (SUCH AS TRUSTEESHIP OR OTHER INTERNATIONAL PARTICIPATION).



- 4. I SAID THAT WE HAD NO WISH TO HUMILIATE ARGENTINA. WE HAD ENGAGED IN LONG AND INTENSIVE NEGOTIATIONS BUT HAD BEEN MET WITH STUBBORN ARGENTINE REFUSAL TO COMPLY WITH SCR 502. IT WAS POSSIBLE THAT THE SECRETARY-GENERAL MIGHT NOW GET A DIFFERENT RESPONSE. BUT THE PRESENT MILITARY CONFRONTATION WAS THE FRUIT OF ARGENTINE OBDURACY AND HAD NOT BEEN OF OUR SEEKING. FOLLOWING OUR LANDING ON THE ISLANDS, THE CIRCUMSTANCES WERE INEVITABLY DIFFERENT. A CEASEFIRE HAD TO BE LINKED WITH A FIRM ARGENTINE COMMITMENT TO FULL WITHDRAWAL. WE APPRECIATED THAT THE ARGENTINIANS HAD GOT THEMSELVES INTO A MESS. BUT THIS WAS NOT OUR FAULT AND IT WAS HARD TO SEE WHAT WE COULD NEGOTIATE ABOUT AT THIS STAGE WITHOUT A MAJOR CHANGE IN THE ARGENTINE POSITION. WE INTENDED TO REPOSSESS THE ISLANDS AND TO RESTORE OUR ADMINISTRATION. WOULD NECESSARILY HAVE TO BE A PERIOD FOR REHABILITATION. THERE COULD THEN BE A WIDE VARIETY OF POSSIBILITIES, IN WHICH THERE COULD BE AN INTERNATIONAL DIMENSION (WITH BRAZIL POSSIBLY PLAYING A PART).
- 5. CAMPOS, WHO WAS IN WASPISH MOOD, WENT ON TO MAKE SOME SHARP CRITICISM OF OUR POSITION ON SOVEREIGNTY AND ON THE ''PRE-JUDGEMENT'' IMPLICIT IN OUR ATTITUDE TO ISLANDERS' WISHES. HE ALSO MAINTAINED THAT OUR ATTITUDE TO UN INVOLVEMENT WAS SELECTIVE AND THAT BY TAKING MILITARY ACTION WE WERE SETTING OURSELVES UP AS ENFORCERS OF SCR 502. IT WAS NOT A PRODUCTIVE EXCHANGE. BUT I TOOK THE OPPORTUNITY TO MAKE CLEAR THE IMPORTANCE WHICH WE ATTACHED TO BRAZIL'S POSITION AND OUR APPRECIATION OF THE DANGERS INHERENT IN THE PRESENT SITUATION.

PYM

CA /Bmz/Re E

LIND 2815302 MAY 82

TO TLASH TOO

TELE JRAM NUMBER 267 OF 28 MAY

INFO LIMEDIATE WASHINGTON UKNIS NEW YORK BOODTA BRASILIA

FALKLANDS: JOINT FROMESALS: MY TELNO 205 (NOT TO ALL).

1 HAD ANY NEWS FROM LONDON. I GAVE HIM A BRIEF ACCOUNT OF THE POINTS MADE IN YOUR TELMO 109 TO BOGOTA AND EMPHASISED THE INSISTENCE ON THE FULL IMPLEMENTATION OF RESOLUTION 502. THE PRESIDENT WENT ON TO SAY THAT HE MAD SPOKEN YESTERDAY TO PRESIDENT TURBAY AND THAT THEY HAD ELABORATED A FORMULA WHICH HE THOUGHT WOULD MEET THE TERMS OF RESOLUTION 502. THE PRESIDENT EMPHASISED THAT THE DETAILS HE WAS ABOUT TO GIVE ME WERE CONFIDENTIAL (IN THAT THEY WERE NOT TO BE GIVEN TO THE PRESS) AND THAT TURBAY HAD TOLD HIM THAT THE DETAILED PROPOSALS MAD BEEN CONVEYED TO YOU BY THE COLUMBIAN REPRESENTATIVE IN LONDON.

2. THE FORMULA PROVIDES FOR THE WITHDRAWAL OF A FIRST CONTINGENT OF ARGENTINE FORCES WHICH WOULD THEN BE FOLLOWED BY AN EQUIVALENT CONTINGENT OF BRITISH FORCES. THE PRESIDENT SAID THAT PERU WAS PREPARED TO HELP IN ANY WAY POSSIBLE TO BRING SUCH AN AGREEMENT INTO OPERATION. HE THOUGHT THAT PERUVIAN AIR FORCE TRANSPORT AIRGRAFT COULD BE DESPATCHED TO COMODORO RIVADAVIA WHERCE THEY COULD TAKE PART IN THE EVACUATION OF ARGENTINE FORCES FROM THE FALKLANDS. THE PRESIDENT SAID THAT PERU WOULD ALSO BE DESPOSED. OF COURSE, TO TRANSPORT THE BRITISH CONTINGENT TO PUNTA ARENAS. (THE TRESIDENT REMINDED ME THAT THE CHILEAN AUTHORITIES WERE MAINTAI-NING A NEUTRAL POSTURE IN THE DISPUTE). THESE ARRANGEMENTS WOULD AT LEAST AVOID THE PROSPECT OF A BITTER AND BLOCDY BATTLE WHICH WOULD LEAVE ALL THE FUNDAMENTAL PROBLEMS UNRESOLVED AND WHICH WOULD RESULT IN ANY CASE IN PROLONGUED AND LENGTHY NEGOTIATION ABOUT THE MAIN ISSUES. IT WAS THEREFORE IMPORTANT TO DO EVERYTHING POSSIBLE TO AVOID THE WASTE OF UP TO 2,000 LIVES IN SUCH A MANNER.

THE PRESIDENT EMPHASISED THAT ME MAD BEEN TOLD BY GALTIER!

THAT HE WAS QUOTE WELL DISPOSED UNQUOTE TOWARDS AN AGREEMENT ON

THIS BASIS AND THAT SALTIER! WAS AWARE THAT AN ARGENTINE CONTIGENT

WHILD HAVE TO BE THE FIRST TO LEAVE. IN REPLY TO MY QUESTION,

THE PRESIDENT SAIL THAT IT AGREEABLE TO BOTH SIDES THESE ARRANGE—

MEMIS WOULD BE INCORPORATED WITHIN THE MEGOTIATIONS NOW BEING

3. THE FRESIDENT EMPHASISED THAT WE HAD BEEN TOLD BY GALTIER!
THAT WE WAS QUOTE WELL DISPOSED UNQUOTE TOWARDS AN AGREEMENT ON THIS BASIS AND THAT GALTIER! WAS MARE THAT AN ARCENTINE CONTISENT WHILD HAVE TO BE THE FIRST TO LEAVE. IN REPLY TO MY QUESTION,
THE PRESIDENT SAID THAT IF AGREEABLE TO BOTH SIDES THESE ARRANGEMENTS WOULD BE INCORPORATED WITHIN THE NEGOTIATIONS NOW BEINS CONDUCTED BY THE UN SECRETARY GENERAL WHO WOULD THEN HAVE A BASIS FOR A CEASEFIRE AND A FRAMEWORK FOR THE ADMINISTRATIVE ARRANGEMENTS NECESSARY TO AVOID A BATTLE IN THE FALKLANDS. THE PRESIDENT THOUGHT THAT IN ORDER TO ENABLE THE SECRETARY GENERAL TO TAKE ADVANTAGE OF THESE PROPOSALS WITHIN THE TERMS OF HIS LATEST MANDATE, THE FORMULA WOULD MAVE TO BE AGREED BY SUNDAY AT THE LATEST.

4. THE PRESIDENT SAID THAT PERU WAS READY AND WILLING TO TAKE ANY PART ACCEPTABLE TO BOTH SIDES WHICH WOULD CONTRIBUTE TO A PROMP

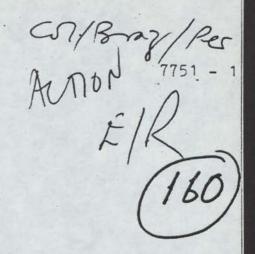
ANY PART ACCEPTABLE TO BOTH SIDES WHICH WOULD CONTRIBUTE TO A PROMPT AND PEACEFUL SOLUTION AND THAT TO THIS END HE HAD INSTRUCTED THE PERUVIAN AIR FORCE TO BE READY TO SEND MERCULES TRANSPORT AIRCRAFT TO COMODORO RIVADAVIA TO TAKE PART IN THE PROPOSED EVACUATION.

PRESIDENT TURBAY HAD TOLD HIM THAT THE FOREIGN OFFICE WOULD BE COMMUNICATING WITH HM REPRESENTATIVES IN THE COUNTRIES CONCERNED AND WARNED ME TO EXPECT INSTRUCTIONS FROM YOU, POSSIBLE EVEN TODAY.

WALLACE

MNN

OO WASHINGTON
OPO UKMIS NEW YORK
GRS 92
CONFIDENTIAL
FM FCO 282105 MAY 82.
TO IMMEDIATE LIMA
TELEGRAM NUMBER 125 OF 28 MAY,



INFO IMMEDIATE WASHINGTON, UKMIS NEW YORK, BOGOTA AND BRASILIA. YOUR TELEGRAM NO.207: FALKLANDS JOINT PROPOSALS

- 1. YOUR TUR HAS CROSSED WITH MY TELEGRAMS NOS. 112-115 TO BOGOTA.
 YOU SHOULD REPLY TO PRESIDENT BELAUNDE ON THE LINES SET OUT IN
 PARAGRAPH 3 OF MY TELEGRAM NO. 112.
- 2. AS YOU WILL APPRECIATE, THESE PROPOSALS DO NOT BEGIN TO MEET OUR BASIC REQUIREMENT FOR A CEASEFIRE TO BE LINKED UNEQUIVOCALLY TO AN ARGENTINE COMMITMENT TO FULL AND IRREVOCABLE WITHDRAWAL OF FORCES.

PYM

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FALKLAND ISLANDS : FCO SITREP : 0730 HRS, 29 MAY

UN

1. Sir A Parsons met the Secretary-General, Sr Perez de Cuellar, to learn from him the Argentine terms for a ceasefire. The Secretary-General has asked for HMG's response to the Argentine ideas but has indicated that this will not be required before 31 May.

OAS

2. No further reports have been received to indicate the progress during the closed session of 28 May.

Military Action

3. The Ministry of Defence announced that the 2nd Battalion of the Parachute Regiment have taken Darwin and Goose Green. Details of casualties were not given.

29 May 1982

Emergency Unit

BIOGRAPHICAL NOTES

LIEUTENANT COLONEL H JONES

Date of Birth:

Family Home:

Marital Status:

Educated:

Commissioned:

Service:

14/5/40 London.

Devon.

Married with 2 sons aged 13 and 15.

Eton and Sandhurst

Commissioned into Devon and Dorsets 1960.

UK, Malta, Kenya, Australia, Guyana, BAOR and Northern Ireland. Gained his parachute wings 1965. Para Tour in 1965/68 with 3 Para. Attended Staff College Camberley 1973.

Brigade Major 3 Bde from 1975/77.

Instructor School of Infantry 77-79.
G1 Staff Duties UKLF from 1979/81.

Transferred to Para Regiment 1979 and became CO2 Para in April 1981.

Awarded the MBE in 1977 and the OBE in 1981.

The Ministry of Defence has now received more details about the capture of Goose Green by the 2nd Battalion the Parachute Regiment.

We understand that when the Argentines surrendered, about 900 prisoners were taken by the Battalion.

We do not have information yet about the extent of British or Argentine casualties. A detailed statement will be made about our own casualties when next of kin have been informed.

However, we very much regret to announce that the Commanding Officer of the 2nd Battalion, the Parachute Regiment, Lieutenant Colonel Herbert Jones, was killed in the action to take Goose Green.

Brigadier Julian Thompson, Commander of 3 Commando Bde, paid tribute in a signal from the Falkland Islands to the "magnificent fighting spirit" shown by the 2nd Battalion the Parachute Regiment under the leadership of Lt Col H Jones.

ACTION US

ACTION

TO IMMEDIATE FCC TELEGRAM NUMBER 1968 OF 29 MAY 1982 INFO IMMEDIATE UXMIS NEW YORK

YOUR TELNO 1932: FUTURE OF THE FALKLANDS

1. I HAVE DISCUSSED THIS WITH HAIG, TELLING HIM THAT THE PRIME MINISTER AND YOU HOPE TO HAVE A GOOD TALK ABOUT THIS AT THE BEGINNING OF THE VERSAILLES SUMMIT.

2. AT THE OUTSET I STRESSED THE EXTREME CONFIDENTIALITY OF DUR DISCUSSION. I EXPLAINED HOW THE CHANGED MILITARY SITUATION HAD ALTERED THE BASIS UPON WHICH WE APPROACHED SOME OF THE ISSUES THAT HAD BEEN THE SUBJECT OF HIS NEGOTIATIONS. THERE WAS NO DIFFICULTY IN PERSUADING HAIG THAT THERE COULD BE NO QUESTION OF OUR WITHDRAWAL FROM THE ISLANDS IN PARALLEL WITH THE ARGENTINIANS AND THAT WITH THE DEFEAT OF THE ARGENTINIAN GARRISON THERE WOULD BE A BRITISH ADMINISTRATION. BUT HAIG SAW A PRACTICAL PROBLEM ARISING WHEN WE HAD MANY THOUSANDS OF ARGENTINE PRISONERS. THESE WOULD PROVIDE ESSENTIAL LEVERAGE FOR SECURING A CEASEFIRE BUT THEY COULD ALSO PROVIDE AN ENTRY INTO THE PROBLEM OF THE FUTURE. WHICH WAS THE DNE THAT CONCERNED HIM MOST. AS I WOULD KNOW, HE DID NOT THINK THAT WE SHOULD DEAL WITH THE IMMEDIATE PROBLEM OF A CEASEFIRE OR SOME KIND OF ARMISTICE WITH THE ARGENTINIANS WITHOUT BEING PREPARED TO INDICATE THAT THE FUTURE COULD CONTAIN SOMETHING OTHER THAN TOTAL HUMILIATION FOR THE ARGENTINIANS AND THEREFORE BE ACCEPTABLE TO THEM AND LATIN AMERICA GENERALLY,

3. WHEN I TOLD HAIG THAT WE WERE CONSIDERING EITHER INDEPENDENCE OR SOME MODIFIED FORM OF INDEPENDENCE, HE SAID THAT THAT WAS UNACCEPTABLE TO THE ARGENTINIANS. THEY REGARDED IT AS TANTAMOUNT TO SAYING THAT WE WOULD NOT IN ANY CIRCUMSTANCES ACCEPT THE TRANSFER OF SOVEREIGNTY. HAIG'S VIEW WAS THAT WE MIGHT WELL BELIEVE THAT THERE NEVER COULD OR SHOULD BE A TRANSFER OF SOVEREIGNTY BUT THAT WE SHOULD REFRAIN FROM SAYING SO.

4. HAIG SAID THAT HE MUCH PREFERRED THE IDEA OF TALKING ABOUT SELF-GOVERNMENT. HE SAW THE BRITISH AS RE-TAKING THE ISLANDS AND ESTABLISHING AN ADMINISTRATION BUT WITHOUT THE RETURN OF THE GOVERNOR, WHO WAS A SYMBOL OF COLONIAL RULE, AND UNDER SOME SORT

. GOVERNOR, WHO WAS A SYMBOL OF COLUMNAL YOLE, AND UNDER SUME SOME OF INTERNATIONAL CHBRELLA THAT WOULD DEAL WITH THE PROBLEMS BOTH OF SECURITY AND THE FUTURE POLITICAL STATUS OF THE ISLANDS. 5. HAIG SAID THAT HE WAS SURE THAT IT WOULD NOT BE IN THE UK'S INTEREST TO HAVE TO KEEP LARGE FORCES IN THE ISLANDS FOR ANY LENGTH OF TIME, AS HE HAD ALREADY INDICATED, THE US WERE PREPARED TO PUT FORCES THERE QUICKLY AS PART OF AN INTERNATIONAL AGREEMENT. PERHAPS WITH FORCES FROM SOME OTHER LATIN AMERICAN COUNTRY. WHEN I ASKED WHETHER HE WAS THINKING OF US FORCES REMAINING THERE FOR A LONG TIME, HAIS SAID NO, JUST FOR THE INTERIM. TO MY QUESTION OF WHAT WOULD THEN HAPPEN ABOUT SECURITY IF WE HAD WITHDRAWN AND THE AMERICANS WERE NOT PREPARED TO STAY BEYOND THE INTERIM, HAIS SAID THAT THERE NEED BE NO TIME LIMIT FOR THE INTERIM. E. HAIG THEN SKETCHED OUT, THINKING ALDUD, WHAT HE THOUGHT MIGHT BE A POSSIBLE FRAMEWORK. THIS WOULD CONTAIN THE FOLLOWING ELEMENTS: (A) WITH THE END OF FIGHTING AND THE DEFEAT OF THE ARGENTINE FORCES. THERE WOULD BE A BRITISH MILITARY ADMINISTRATION. (B) THIS MILITARY OCCUPATION WOULD GIVE WAY TO A FORM OF SELF-GOVERNMENT IN ACCORDANCE WITH THE PRINCIPLES OF ARTICLE 73 OF THE UN CHARTER. THIS SYSTEM OF GOVERNMENT WOULD BE SUCH AS TO REMOVE THE COLONIALIST TAG WHICH A RETURN TO THE STATUS QUO WOULD MEANE THE LATTER WOULD BRING WITH IT CONTINUED INTENSE, IF IRRATIONAL, LATIN AMERICAN HOSTILITY. THE ESTABLISHMENT OF THIS SELF-GOVERNMENT WOULD BE ACCOMPANIED BY SOME DECLARATION OF PRINCIPLES BY WHICH THE COUNTRY WOULD BE RUN. (C) THIS LOCAL GOVERNMENT WOULD BE SUBJECT TO AN INTERNATIONAL UMBRELLA WHICH WOULD ALSO HAVE A SMALL INTERNATIONAL FORCE. THE UMBRELLA COUNTRIES WOULD INCLUDE THE US AND PROBABLY BRAZIL, HAIG WAS NOT SURE ABOUT THE ARGENTINIANS, BUT IF THEY WERE NOT PART OF THE UMBRELLA GROUP THEY HIGHT HAVE A LIAISON OFFICER. THE TERMS OF REFERENCE OF THE UMBRELLA GROUP WOULD PROVIDE FOR IT TO ENSURE THAT THE LOCAL GOVERNMENT WAS BEING CARRIED OUT IN ACCORDANCE WITH THE PRINCIPLES THAT HAD BEEN ENUNCIATED AND TO PROVIDE FOR SECURITY. (D) THE UMBRELLA GROUP WOULD ALSO HAVE RESPONSIBILITY FOR CONSIDERING THE ULTIMATE STATUS OF THE ISLANDS. THERE WOULD BE NO CUT-OFF DATE FOR THIS AND IF NO AGREEMENT HAD BEEN REACHED THE ARRANGEMENTS OF SELF-GOVERNMENT AND THE UMBRELLA GROUP WOULD CONTINUE. 7. I ASKED HAIG WHETHER IT WOULD BE FEASIBLE FOR HIM TO DISCUSS THIS SORT OF SCHEME WITH THE PRIME MINISTER AND YOU AT VERSAILLES. HIS FIRST REACTION WAS TO SAY THAT HE DID NOT THINK IT COULD WAIT BALL. BALL.

HIS FIRST REACTION WAS TO SAY THAT HE SID NOT THINK IT COULD WALT WITH THEN. I TRIED TO PROBE HIM OR WHAT SORT OF TIMETABLE HE HAD IN MIND, DID HE REALLY THINK IT SOULD BE POSSIBLE FOR ANYTHING LIKE THIS TO EMERGE UNTIL DUR MILITARY OPERATIONS ON THE ISLANDS HAD BEEN COMPLETED, OR AT ANY RATE JUSTIL THE PORT STANLEY GARRISON HAD SURRENDERED? HAIG WAS REASSURING ON THIS. WHATEVER OTHERS MIGHT THINK, HIS OWN CONVICTION WAS THAT WE COULD NOT POSSIBLY BE EXPECTED TO SHOW MAGNANIMITY UNTIL MILITARY VICTORY HAD BEEN ASSURED. BUT HE THOUGHT WE DUGHT TO BE READY TO LEAP IN IMMEDIATELY AFTERWARDS. THAT MOULD BE THE CRUCIAL HOMENT IF WE WERE TO ESTABLISH SOME NEW RELATIONSHIP WITH ARGENTINA AND LATIN AMERICA GENERALLY, SOMETHING THAT WAS ESSENTIAL IN THE US'S INTERESTS AS WELL, I ALSO ASKED HIM WHETHER THIS WOULD BE A PURELY US FRAMEWORK OR WHETHER HE WAS NOT THINKING OF BRINGING IN SOME LATIN AMERICAN COUNTRY. HE SAID IT COULD NOT BE PURELY AMERICAN BECAUSE THEY WERE SUSPECT.

HE THOUGHT IT SHOULD BE A BRAZILIAN/AMERICAN FRAMEWORK. I SUGGESTED THAT IT WOULD REALLY NOE BE POSSIBLE TO START CONSULTING BRAZIL AT THIS STAGE BECAUSE ALL THAT WOULD HAPPEN WOULD BE THAT THEY WOULD GET INTO TOUCH WITH ARGENTINA AND THE WHOLE THING WOULD GET BOGGED DOWN AGAIN. HAIG AGREED, HE BELIEVED THAT IT WOULD NOT BE PRACTICABLE TO PUT ANYTHING TO THE LATINOS NOW BECAUSE ALL THEY WOULD INSIST UPON WOULD BE AN IMMEDIATE CEASEFIRE.

B. HAIG THEN SAID THAT THE ESSENTIAL THING WAS TO WORK SOMETHING OUT WITH US. IF OUR TWO COUNTRIES COULD REACH SOME SORT OF ... UNDERSTANDING ON WHAT MGHT BE ACCEPTABLE TO US AND SALEABLE TO THE LATIN AMERICANS, THE QUESTION WOULD THEN ARISE OF HOW AND WHEN TO SELL IT TO THE LATINAMERICANS.

9. HAIG WOULD THEREFOREPUT TOGETHER IN MORE DETAILED FORM THE IDEA THAT HE HAD EXPRESSED TIME ORALLY, THE OUTLINE OF A FRAMEWORK, AND LET US HAVE IT AS SOON 6 POSSIBLE.

16. WE HAD SOME DISCUSSIN ABOUT WHETHER IT WAS ADVISABLE TO HAVE THE SECRETARY GENERAL OF THE UN INVOLVED. HAIG SAID HE COULD SEE PROS AND CONS BUT CONCLUED, I THINK, THAT THE LATTER DUTWEIGHED THE FORMER.

31. PLEASE SEE MIFT.

20NF0847/29 WONN 1852/69 DO FCO DESKBY 292382 OO DENIS NEW YORK DESKBY 2923302 GR 283 SECREY DESKBY 292333Z 29 MAN 2 FM WASHINGTON 292144Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 1964 OF 29 KAY INFO IMMEDIATE UKMIS NEW YORK MIPT: FALKLANDS 1. THE FOLLOWING IS THE TEXT OF THE PAPER HAIG HAS GIVEN ME. IDEAS FOR AN APPROACH WHEN BRITISH MILITARY SUCCESS IS AT HAND, THE US AND BRAZIL WOULD PROPOSE AN AGREEMENT TO THE UK AND ARGENTINA CONTAINING THE FOLLDWING ELEMENTS TAKEN AS AN INTEGRATED WHOLE. 1. GENERAL AND PERMANENT CEASEFIRE (INCLUDING PROVISIONS FOR THE NON-RESUPPLY AND THE REGROUPING OF ARGENTINE FORCES): ESTABLISHMENT OF A TEMPORARY BRITISH MILITARY ADMINISTRATION: LIFTING OF SANCTIONS BY ARGENTINA, THE UK AND THIRD COUNTRIES: 2. IMMEDIATE INTRODUCTION OF A PEACEKEEPING FORCE CONSISTING OF CONTINGENTS FROM THE US AND BRAZIL TO VERIFY THE CEASEFIRE AND ENSURE THE SEPARATION OF FORCES: 3- RAPIS WITHDRAVAL OF ARGENTINE FORCES!

LIFTING OF SANCTIONS SY ARCENTINA, THE UK AND THIRD COUNTRIES:

- CONTINGENTS FROM THE US AND BRAZIL TO VERIFY THE CEASEFIRE AND ENSURE THE SEPARATION OF TORCEST
 - 3. RAPID WITHDRAWAL OF ARGENTINE FORCES:
- 4. CREATION OF A CONTACT GROUP CONSISTING OF THE UK, THE US, BRAZIL AND ARGENTINA:
- 5. END OF MILITARY ADMINISTRATION AND START OF LOCAL SELFGOVERNMENT BY THE LOCAL COUNCILS WITH THE CONTACT GROUP RATIFYING
 ALL DECISIONS NOT INCONSISTENT WITH THE PURPOSES OF THE AGREEMENTS
- 6. PHASED WITHDRAWAL OF BRITISH FORCES, WITH THE PEACE-KEEPING FORCE TO ASSUME RESPONSIBILITY FOR THE SECURITY OF THE ISLANDS FOR A LIMITED PERIOD:
- 7. NEGOTIATIONS, EITHOUT PRECONDITIONS, ON THE DEFINITIVE SETTLEMENT OF THE DISPUTE WITH THE ASSISTANCE OF THE OTHER MEMBERS OF THE CONTACT GROUP:
- S. UNDERTAKING BY BOTH PARTIES NOT TO TAKE ANY ACTION THAT WOULD PREJUDICE THE DUTCOME OF THE NEGOTIATIONS.

HENDERSON

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FM WASHINGTON 292140Z MAY 82

TO IMMEDIATE F C 0

TELEGRAM NUMBER 1963 OF 29 MAY

INFO IMMEDIATE UKHIS NEW YORK

an

MY TELEGRAM NO. 1968: FUTURE OF THE FALKLANDS.

- 1. HAIG HAS ASKED TO SEE ME AGAIN TO EXPLAIN THE TENTATIVE IDEAS HE HAS NOW FORMULATED. THESE ARE CONTINED IN MY IMMEDIATELY FOLLOWING TELEGRAM.
- 2. HAIG ASKED ME TO USE ALL POWERS OF PERSUASION POSSIBLE TO CONVINCE THE PRIME MINISTER AND YOU THAT, IN PUTTING THESE FORWARD TENTATIVELY, HE WAS NOT SEEKING TO INTERFERE WITH, LET ALONE UNDERMINE, OUR MILITARY OBJECTIVES. IF WE THOUGHT THAT THIS AMERICAN APPROACH WOULD BE DISADVANTAGEOUS TO US MILITARILY, AND WE TOLD HIM SO, HE WOULD ENTIRELY UNDERSTAND. WHAT HE WANTED TO AVOID WAS TO GIVE ARY SEMBLANCE OF A SUGGESTION TO YOU THAT

ALONE WYDERMIKE, OUR MICHTARY CONSERVANTACEOUS IS US MICHTARITY, AND ACCOUNT HAT THAT THAT SALE TOLD HIM SO, HE WOULD ENTIRELY UNDERSTAND. WHAT HE WANTED TO AVOID HAT TO GIVE ANY SENDLANCE OF A CUGGESTITON TO YOU THAT HE MICHT BE CONTEXPLATING ANYTHING THAT WOULD BE A DISSERVICE TO OUR AUTERESTS.

2. ANOTHER POINT THAT HAIG LISHED TO STRESS GOST STRONGLY WAS THE CONCLUSION HE HAD COME TO, THAT WAS SOMEWHAT CONTRARY TO WHAT HE HAD BEEN TELLING ME THIS MORNING. THAT THE LAUNCHING OF AN INITIATIVE ON THE LINES OF THAT CONTAINED IN THE AMERICAN PAPER MUST COME BEFORE THE FINAL DEFEAT OF THE ARGENTINIAN FORCES ON THE ISLANDS. HE REALISED THAT THE TIMING WOUL! BE VERY DIFFICULT. BUT HIS HOPE WAS THAT WE MIGHT FEEL ABLE, WHEN CUR FORCES WERE POISED FOR A FINAL ATTACK, TO GO ALONG WITH THE PROPOSAL. HAIG DID NOT THINK THAT THE BRAZILIANS, OR FOR THAT MATTER ANY OTHER LATIN AMERICAN COUNTRY, WOULD JOIN IN ANYTHING OF THIS KIND IF IT CAME AFTER A HUMILIATING MILITARY DEFEAT FOR THE ARGENTINIANS. BUT HE THOUGHT THAT BRAZIL MIGHT GO ALONG WITH IT DEFORE SUCH AN ATTACK, THOUGH HE WOULD NOT PUT IT TO THEM UNLESS LONDON HAD GIVEN HIM THE GREEN LIGHT.

A. I ASKED HAIG WHETHER HE THOUGHT THAT THE ARGENTINIANS WOULD ACCEPT IT WHILE THEIR FORCES AT PORT STANLEY WERE STILL INTACT AND THEY HIGHT STILL BE HOPING FOR SOME AIR AND NAVAL SUCCESSES. HAIG SAID HE DID NOT KNOW, BUT IF THE ARGENTINIANS TURNED IT DOWN IT WOULD PUT THEM IN A BAD LIGHT, AND OUR ACCEPTANCE WOULD GREATLY ENHANCE THE US/UK POSITION WITH THE WHOLE OF THE LATIN AMERICAN MORLD.

5. HAIG SAID THAT IF WE COULD ONLY CONSIDER PROPOSALS RELATING TO THE FUTURE AFTER THE SURRENDER OF THE ARGENTINIAN GARRISON THEN HE THOUGHT THAT IT WOULD HAVE TO BE LONDON WHO PUT FORWARD IDEAS RATHER THAN THE U.S. AND BRAZIL. HE WAS SAYING IN EFFECT THAT THE U.S. WOULD NOT BE ABLE TO GO IN FOR THIS SORT OF APPROACH ONCE THE ARGENTINIANS HAD BEEN HUMILIATED BY A COMPLETE MILITARY DEFEAT BECAUSE THIS WOULD EXACERBATE WASHINGTON'S RELATIONS WITH THE LATIN AMERICAN WORLD.

6. HAIG ALSO GAVE ME A PIECE OF PAPER CONTAINING FOUR POINTS TO BE MADE DRALLY IN CONNEXION WITH THE AMERICAN IDEAS. THESE WERE AS FOLLOWS:

(1) RESTORATION OF LOCAL ADMINISTRATION DGES NOT INCLUDE RETURN

" W A GUYERRURS NO (2) AVOIDANCE OF PUBLICLY ESPONSING INDEPENDENCE OR SEMI-INDEPEND ENCE AS THE BRITISH GOALS NOWS) AGREEMENT ON WITHDRAWAL COULD HAVE TO SAY SCHETHING ABOUT SON-REINTRODUCTION OF FORCES! NO (4) CONTACT GROUP TO STAY ON INDEFINITELY. 7. I DREW HAIG'S ATTENTION TO THE FACT THAT ACCORDING TO HIS IDEAS BRITISH FORCES WOULD BE WITHDRAWN AT THE END OF THE MILITARY ADMINISTRATION, A PEACE KEEPING FORCE WOULD THEN ASSUME RESPONSIBILITY, BUT THIS WOULD ONLY BE FOR A LIMITED PERIOD. WHAT WAS GOING TO GUARANTEE THE SECURITY OF THE ISLANDS AFTER THAT? HAIG SAID THAT, AS I WOULD SEE FROM THE ORAL POINTS, THE INTENTION WAS THAT THE CONTACT GROUP WOULD STAY ON INDEFINITELY, THE PRESENCE OF THE CONTACT GROUP WOULD, IN HAIG'S VIEW, ENSURE THAT THE ARGENTINIANS DID NOT RESORT TO FORCE AGAINST THE ISLANDS. 9. I TOLD HAIG THAT I WOULD SUBMIT HIS IDEAS AS HE HAD REQUESTED FOR CONSIDERATION BY THE PRIME MINISTER AND YOU. BUT HE WOULD KNOW THE STRONG VIEWS IN LONDON AS I HAD CONVEYED THEM TO HIM THIS PORNING. 9. I ASKED WHEN HE WAS HOPING FOR A RESPONSE AND WHEN HE WAS THINKING OF PUTTING THE IDEAS TO THE ARGENTINIANS. HE SAID THAT HE HOPED WE COULD GIVE HIM A REPLY BY MONDAY 31 MAY, IF IT WAS FAVOURABLE WOULD THEN PUT THE IDEAS TO THE ARGENTINIANS ON A TAKE IT OR LEAVE IT BASIS. THERE WOULD BE NO QUESTION OF NEGOTIATING THE TEXT WITH THE BRAZILIANS ANY MORE THAN THERE WOULD BE WITH THE ARGENTINIANS. THEN THE ACTUAL TIME WHEN THE PROPOSAL WOULD BE MADE FORMALLY TO US AND THE ARGENTINIANS WOULD HAVE TO AVAIT THE RIGHT MILITARY MOMENT. HAIG ACKNOWLEDGED THAT IT HAD NOT YET BEEN REACHED. 10. HAIG UNDERLINED AGAIN THAT HIS ABSOLUTE PRIORITY WAS TO REMAIN IN LOCK-STEP WITH US AND HE IMPLORED ME TO MAKE SURE THAT WHAT HE WAS TRYING TO DO WOULD NOT BE MISUNDERSTOOD BY YOU IN LONDON OR SEEN AS SOMETHING THAT WE MIGHT THINK PREJUDICIAL. IF WE HAD DOUBTS OR DIFFICULTIES HE WOULD CERTAINLY UNDERSTAND. BUT HE DID THINK THAT THIS APPROACH IF WE COULD ACCEPT IT WOULD GREATLY IMPROVE THE U S AND UK STANCE VIS-A-VIS LATIN AMERICA WHETHER OR NOT THE ARGENTINIANS REJECTED IT. 11. PLEASE SEE MY IMMEDIATELY FOLLOWING TELEGRAM.

PATALANDS SELECTIVE ADVANCES (1) 44

FS/MR HURD PS/MR ONSLOW TS/PUS FS/LORD BELSTEAD MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT · HD/S AM D ED/DEF D HD/PLANNING STAFF HD/UND HD/NEWS D HD/ERD HD/PUSD MR REED, PUSD ETERGENCY ROOM.

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CARINET

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DESKBY 2921882
FM WASHINGTON 2918852 MAY 82
TO IMMEDIATE F C 0
TELEGRAM NUMBER 1961 OF 29 MAY
INFO IMMEDIATE UKMIS NEW YORK

M | P TI FALKLANDS

1. DURING MY TALK TODAY WITH HAIR A NUMBER OF ISSUES EMERGED THAT

I WILL RECORD SEPARATELY AS FOLLOWS, BECAUSE THEY DO NOT OUITE FIT IN
WITH THE DISCUSSION OF ICEAS ABOUT THE FUTURE.

2. HAIG SHOWED, AT THE BEGINNING OF OUR TALK, CONSIDERABLE CONCERN AT WHAT HAD BEEN DESCRIBED TO HIM AS A MARDENING OF THE BRITISH ATTITUDE, THE REPORTS HE HAD RECEIVED FROM STREATOR IN LONDON OF

M6

FEAR THAT WE WERE HEADING FOR A REAL PROBLEM IN U.S. JUX RELATIONS.

THE PERUVIAN FOREIGN HINISTER HAD BEEN ON TO HIM DIRECT, AS HAD

DE CUELLAR, BOTH OF WHOM HAD TALKED ABOUT NEW OLOTE BRITISH

CONDITIONS DELIVERED TO THE ARGENTINIANS UNQUOTE.

3. I SAID I DID NOT KNOW WHAT THIS WAS REFERRING TO. WE HAD NOT BEEN IN TOUCH WITH THE ARGENTINIANS. NOR HAD WE REPLIED TO THE ARGENTINE CEASEFIRE TERMS (UKRIS NEW YORK TELNO 884).

4. HAIG SAID THAT WE FACED AN IMMEDIATE AND SERIOUS PROBLEM THAT COULD COME TO A HEAD IN THE SECURITY COUNCIL ON MONDAY OR TUESDAY. DE CUELLAR WOULD ANNOUNCE THAT HE WAS UNABLE TO PROCEED. ACCORDING TO HAIG, HE WOULD BLAME LONDON FOR THIS, ACCUSING THEM OF INTRANSIGENCE. THERE PROBABLY NOULD BE A RESOLUTION IN THE SECURITY COUNCIL CALLING FOR A CEASEFIRE AND MUTUAL WITHDRAWAL.

ATTITUDE. SIR ANTHONY PARSONS HAD JUST HAD A PREFECTLY STRAIGHTFORWARD CONVERSATION WITH HIM IN WHICH NO ACCUSATIONS HAD BEEN MADE
AGAINST US. THIS LED TO A DISCUSSION ON THE MARKED DIFFERENCE
BETWEEN WHAT DE CUELLAR TELLS THE AMERICANS AND WHAT HE SAYS TO US.
HAIG'S VIEW, AS YOU PROBABLY KNOW, IS THAT DE CUELLAR IS VERY MUCH
MORE AT THE BECK AND CALL OF THE PERUVIAN GOVERNMENT THAN WE THINK
HE IS, HAIG DOES NOT THINK THIS IS SURPRISING BUT IT IS SOMETHING
THAT WE SHOULD TAKE ACCOUNT OF. AS FOR THE PERUVIAN GOVERNMENT, HAIG
DOES NOT THINK THAT THEY CAN ANY LONGER BE REGARDED AS OTHER THAN
COMPLETELY PRO-ARGENTIMIAN, (THEY HAVE SUPPLIED THEM WITH MIRAGES)
WITH THE RESULT THAT HE DOES HOT SEE THEN CAPABLE OF PLAYING ANY
USEFUL NEGOTIATING BOLE.

E. ONE OF THE INCIDENTS THAT HAS MADE HAIG SUSPICIOUS OF DE CUELLAR WAS HIS LEAPING IN WITH A REQUEST FOR AN ANSWER FROM US AND THE ARGENTINIANS WITHIN 24 HOURS ON CEASEFIRE PROPOSALS FOLLOWING RESOLUTION 573. THIS RESOLUTION HAD GIVEN HIM SEVEN DAYS. WHY THEN HAD HE ACCELERATED THE PROCESS IF IT WAS NOT IN RESPONSE TO ARGENTINE WISHES CONVEYED THROUGH THE PERUVIAN GOVERNMENT? I SAID THAT SIR ANTHONY PARSON'S BELIEF WAS THAT PEREZ DE CUELLAR ATTACHED IMPORTANCE TO THE PROBITY OF THE SECRETARY GENERAL'S ROLE. HE COULD NOT BECOME AM INSTRUMENT FOR DRAGGING THINGS OUT AT THE BEHEST OF ANY PARTY. HIS LEGITIMACY REQUIRED HIM TO SEEN SOLUTIONS AND NOT SIMPLY LET TIME PASS IN A WAY THAT COULD BRING DISCREDIT UPON THE U N AND THE OFFICE OF SECRETARY GENERAL. I CANNOT SAY THAT HAIG WAS NOW OVER BY THIS ARGUMENT, THOUGH ENDERS, WHO ENTERED THE ROOM AT THAT MOMENT, TENDED TO GIVE PEREZ DE CUELLAR THE BENEFIT OF THE

DOUBT, SAYING THAT THE FACT THAT HE LIFTED HIS 24-HOUR TIME LIMIT SHOWED HIS GOOD FAITH.

RETURNING TO THE QUESTION OF A LIKELY SECURITY COUNCIL RESOLUTION EARLY NEXT WEEK, HAIG IMPLORED US NOT TO DEVIATE FROM THE THEME OF RESOLUTION 532. I SAID THAT I WAS SURE THAT WE WOULD WISH TO STICK TO 582. HAIG SAID THAT HE HAD BEEN FRIGHTENED BY WHAT HE HAD LEARNT FROM LONDON ABOUT OUR TOUGHER LINE AND ASKED ME WHETHER WE WOULD BE PREPARED TO ADHERE TO THE THIRD CLAUSE OF THIS RESOLUTION, WHICH CALLED FOR THE TWO GOVERNMENTS TO SEEK A DIPLOMATIC SOLUTION TO THEIR DIFFERENCES. I REPLIED THAT WE HAD ALWAYS BEEN READY TO SEEK A DIPLOMATIC SOLUTION AND THIS WOULD NOT CHANGE.

B. HAIG THOUGHT THAT THE BRITISH AND AMERICANS WOULD HAVE A DIFFICULT TIME IN THE SECURITY COUNCIL BECAUSE NOBODY ELSE WOULD STAY WITH THEM.

9. HAIG SAID THAT HE THOUGHT THE PRESENT INSISTENCE BY THE ARGENTINIANS ON A CEASEFIRE REFLECTED A MORE REALISTIC INTERPRETATION IN BUENOS AIRES OF THE MILITARY OUTLOOK. IMMEDIATELY AFTER THE ATTACK ON THE ATLANTIC CONVEYOR, THE ARGENTINIANS HAD PERSUADED THEMSELVES THAT THE BRITISH LOSS OF EQUIPMENT IN THAT SHIP WOULD SERIOUSLY INTERFERE WITH PROJECTED MILITARY OPERATIONS ON THE ISLANDS. HOWEVER, OUR RECENT MILITARY ADVANCES APPEARED TO HAVE HAD A HEALTHY IMPACT. HAIG THOUGHT THAT THE MAIN ARGENTINE AIM NOW WAS TO AVOID HUMILIATION. THEY WERE CONCEDING NOW, FOR THE FIRST TIME, THAT THEY COULD NOT WIN BUT THIS DID NOT MEAN OF COURSE THAT THEY WOULD BE REASONABLE OR FULLY FACE REALITIES ANY MORE THAN THEY HAD DONE IN THE PAST.

18. HAIG SPOKE OF LAMI DOZO AS THE HEIR-APPARENT TO GALTIERI. HE WAS A MODERATE AND WANTED ARGENTINA TO REMAIN PRO-WESTERN. FROM THE WAY HE SPOKE I GATHERED THAT THIS INFORMATION ABOUT CURRENT ARGENTINIAN ATTITUDES HAD BEEN DERIVED FROM A TALK THAT AMBASSADOR WALTERS HAS JUST HAD HERE IN WASHINGTON WITH ONE OF THE THREE MILITARY WATCHDOGS WHO HANG AROUND COSTA MENDEZ.

11. WHEN I HAD ASSURED HAIG THAT YOU UNDERSTOOD IN LONDON THE PROBLEM THAT THIS FALKLAND ISSUE WAS CAUSING FOR U.S. RELATIONS WITH LATIN AMERICA GENERALLY, HE REPLIED THAT HIS GREATEST CONCERN WAS THE IMPACT ON CENTRAL AMERICA. THE QUOTE WHOLE PLACE IS IN JEOPARDY UNQUOTE. HE FEARED FOR THE PRESIDENT'S CARIBBEAN BASIN INITIATIVE, VENEZUELA'S OUTLOOK WAS OUTRASEOUS. COLOMBIA, WHICH HAD BEEN AMONGST THE MOST MODERATE, WAS NOW FACING ELECTIONS AND THE NEXT GOVERNMENT, WORLD, PROBABLY BELLWORSE GIRN THE MEST ON

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1. TEXT OF RESOLUTION APPROVED TODAY, 29 APRIL, IS AS FOLLOWS:

SERIOUS SITUATION IN THE SOUTH ATLANTIC

WHEREAST

RESOLUTION I OF THE TWENTIETH MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS, ADOPTED ON APRIL 28, 1982, DECIDED QUOTE TO KEEP THE TWENTIETH MEETING OF CONSULTATION OPEN, ESPECIALLY TO OVERSEE FAITHFUL COMPLIANCE WITH THIS RESOLUTION, AND TO TAKE SUCH ADDITIONAL MEASURES AS ARE DEEMED NECESSARY TO RESTORE AND PRESERVE PEACE AND SETTLE THE CONFLICT BY PEACEFUL MEANS UNQUOTE:

THAT RESOLUTION URGED THE GOVERNMENT OF THE UNITED KINGDOM
QUOTE IMMEDIATELY TO CEASE THE HOSTILITIES IT IS CARRYING ON WITHIN
THE SECURITY REGION DEFINED BY ARTICLE 4 OF THE INTER-AMERICAN TREATY
OF RECIPROCAL ASSISTANCE, AND ALSO TO REFRAIN FROM ANY ACT THAT MAY
AFFECT INTER-AMERICAN PEACE AND SECURITY, UNDUOTE AND URGED THE
GOVERNMENT OF THE REPUBLIC OF ARGENTINA CHOTE TO REFRAIN FROM TAKING
ANY ACTION THAT MAY EXACERBATE THE SITUATION UNQUOTED

THE SAME RESOLUTION URGED THE GOVERNMENTS OF THE UNITED KINGDOM
AND THE ARGENTINE REPUBLIC QUOTE TO CALL A TRUCE THAT WILL MAKE IT
POSSIBLE TO RESUME AND PROCEED NORMALLY WITH THE NEGOTIATION AIMED

THE SAME RESOLUTION URGED THE GOVERNMENTS OF THE UNITED KINGDOM AND THE ARGENTINE REPUBLIC QUOTE TO CALL A TRUCE THAT WILL MAKE IT POSSIBLE TO RESUME AND PROCEED NORMALLY WITH THE NEGOTIATION AIMED AT A PEACEFUL SETTLEMENT OF THE CONFLICT. TAKING INTO ACCOUNT THE RIGHTS OF SOVEREIGNTY OF THE REPUBLIC OF ARGENTINA OVER THE MALVINAS ISLANDS AND THE INTERESTS OF THE ISLANDERS UNQUOTE:

ORGAN OF CONSULTATION OF ITS FULL ADHERENCE TO RESOLUTION I AND ACTED CONSISTENTLY THERE WITH, THE BRITISH FORCES PROCEEDED TO CARRY OUT SERIOUS AND REPEATED ARMED ATTACKS AGAINST THE ARGENTINE REPUBLIC IN THE ZONE OF THE MALVINAS ISLANDS, WITHIN THE SECURITY REGION BEFINED BY ARTICLE A OF THE INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE, WHICH MEANS THAT THE UNITED KINGDOM HAS IGNORED THE APPEAL MADE TO IT BY THE TWENTIETH MEETING OF CONSULTATIONS

FOLLOWING THE ADOPTION OF RESOLUTION I, THE GOVERNMENT OF THE UNITED STATES OF AMERICA DECIDED TO AFPLY COERCIVE MEASURES AGAINST THE ARGENTINE REPUBLIC AND IS GIVING ITS SUPPORT, INCLUDING MATERIAL SUPPORT, TO THE UNITED KINSDOM, WHICH CONTRAVENES THE SPIRIT AND THE LETTER OF RESOLUTION I:

AS A CULMINATION OF ITS REPEATED ARMED ATTACKS, BEGINNING ON MAY 21, 1982, THE BRITISH FORCES LAUNCHED A BROAD-SCALE MILITARY ATTACK AGAINST THE ARGENTINE REPUBLIC IN THE AREA OF THE MALVINAS ISLANDS WHICH AFFECTS THE PEACE AND SECURITY OF THE HEMISPHERES.

THE DEPLOCABLE SITUATION RAISED BY THE APPLICATION OF POLITICAL AND ECONOMIC COERCIVE MEASURES THAT ARE NOT BASED ON PRESENT INTERNATIONAL LAW AND ARE HARMFUL TO THE ARGENTINE PEOPLE, CARRIED OUT BY THE EUROPEAN ECONOMIC COMMUNITY—WITH THE EXCEPTION OF IRELAND AND STALY—AND BY OTHER INDUSTRIALIZED STATES, IS CONTINUING: AND

THE PURPOSE OF THE INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE IS TO QUOTE ASSURE PEACE, THROUGH ADEQUATE MEANS, TO PROVIDE
FOR EFFECTIVE RECIPROCAL ASSISTANCE TO HEET ARMED ATTACKS AGAINST
ANY AMERICAN STATE, AND IN ORDER TO DEAL WITH THREATS OF AGGRESSION
AGAINST ANY OF THEM, UNQUOTE.

RESOLVES

1. TO CONDEMN MOST VIGOROUSLY THE UNJUSTIFIED AND DISPROPORT-IONATE ARMED ATTACK PERPETRATED BY THE UNITED KINGDOM, AND ITS DECISION, WHICH AFFECTS THE SECURITY OF THE ENTIRE AMERICAN HEMIS-PHERE, OF ARBITRARILY DECLARING AN EXTENSIVE AREA OF UP TO 12 MILES FROM THE AMERICAN COASTS AS A ZONE OF HOSTILITIES, WHICH IS AGGRAVATED BY THE CIRCUMSTANCE THAT WHEN THESE ACTIONS WERE TAKEN ALL POSSIBILITIES OF NEGOTIATION SEEKING A PEACEFUL SETTLEMENT OF THE CONFLICT HAD NOT BEEN EXHAUSTEB. 2. TO REITERATE ITS FIRM DEMAND UPON THE UNITED KINGDOM THAT IT CEASE IMMEDIATELY ITS ACTS OF WAR AGAINST THE ARGENTINE REPUBLIC AND ORDER THE IMMEDIATE RETURN TO THEIR USUAL STATIONS OF ITS TASK FORCE AND ALL OF ITS ARMED FORCES DETAILED THERE. 3. TO DEPLORE THE FACT THAT THE ATTITUDE OF THE UNITED KINGDOM HAS HELPED TO FRUSTRATE THE NEGOTIATIONS FOR A PEACEFUL SETTLEMENT THAT WERE CONDUCTED BY MR. JAYIER PEREZ DE CUELLAR, THE SECRETARY GENERAL OF THE UNITED NATIONS. 4. TO EXPRESS ITS CONVICTION THAT IT IS ESSENTIAL TO REACH WITH THE GREATEST URGENCY A PEACEFUL AND HONORABLE SETTLEMENT OF THE CONFLICT, UNDER THE AUSPICES OF THE UNITED NATIONS, AND IN THAT CONNECTION, TO RECOGNIZE THE PRAISEWORTHY EFFORTS AND GOOD OFFICES OF MR. JAVIER PEREZ DE CUELLAR, THE SECRETARY GENERAL OF THE UNITED NATIONS, AND TO PROVIDE ITS FULL SUPPORT TO THE TASK ENTRUSTED TO HIM BY THE SECURITY COUNCIL. 5. TO URGE THE GOVERNMENT OF THE UNITED STATES OF AMERICA TO ORDER THE IMMEDIATE LIFTING OF THE COERCIVE MEASURES APPLIED AGAINST THE ARGENTINE REPUBLIC AND TO REFRAIN FROM PROVIEING MATERIAL ASSISTANCE TO THE UNITED KINGDOM, IN OBSERVANCE OF THE PRINCIPLE OF HEMISPHEREIC SOLIDARITY RECOGNIZED IN THE INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE. 6. TO URGE THE MEMBERS OF THE EUROPEAN ECONOMIC COMMUNITY, AND THE OTHERE STATES THAT HAVE TAKEN THEM, TO LIFT IMMEDIATELY THE COERCIVE ECONOMIC OR POLITICAL MEASURES TAKEN AGAINST THE ARGENTINE REPUBLIC. 7. TO REQUEST THE STATES PARTIES OF THE RIO TREATY TO GIVE THE ARGENTINE REPUBLIC THE SUPPORT THAT EACH JUDGES APPROPRIATE TO ASSIST IT IN THIS SERIOUS SITUATION, AND TO REFRAIN FROM ANY ACT THAT MIGHT JEOPARDIZE THAT OBJECTIVE. IF NECESSARY, SUCH SUPPORT MAY BE ADOPTED WITH ADEQUATE COORDINATION. B. TO REAFFIRM THE BASIC CONSTITUTIONAL PRINCIPLES OF THE CHARTER OF THE ORGANIZATION OF AMERICAN STATES AND OF THE INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE, IN PARTICULAR, THOSE THAT REFER TO PEACEFUL SETTLEMENT OF DISPUTES. 9. TO KEEP THE ORGAN OF CONSULTATION AVAILABLE TO ASSIST THE PARTIES IN CONFLICT WITH THEIR PEACE-MAKING EFFORTS IN ANY WAY IT

MAY SUPPORT THE MISSION ENTRUSTED TO THE UNITED NATIONS SECRETARY GENERAL BY THE SECURITY COUNCIL, AND TO INSTRUCT THE PRESIDENT OF THE NEETING OF CONSULTATION TO KEEP IN CONTINUOUS CONTACT WITH THE SECRETARY GENERAL OF THE UNITED NATIONS. 18. TO KEEP THE TWENTIETH MEETING OF CONSULTATION OPEN TO SEE TO IT THAT THE PROVISIONS OF THIS RESOLUTION ARE FAITHFULLY AND IMMEDIATELY CARRIED OUT AND TO TAKE, IF NECESSARY, ANY ADDITIONAL MEASURES THAT MAY BE AGREED UPON TO PRESERVE INTER-AMERICAN SOLIDARITY AND COOPERATION. HENDERSON **NOUNIN**

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PART IN THURSDAY'S FIESTA OF ANTI-AMERICANISM MADE SUBDUED STATE-

MENTS: THESE INCLUDED ECUADOR, PARAGUAY, HAITI AND EL SALVADOR, WHOSE

EVEN-HANGED SPEECH WAS UNIQUELY APPLAUDED BY BOTH ARGENTINE AND AMERICAN DELEGATES. MEXICO, BRAZIL AND CHILE REMAINED SILENT THROUGHOUT.

3. A CLOSED DRAFTING GROUP MET ALL DAY AND NIGHT TO PREPARE THE FIRAL RESOLUTION, WHICH WAS IN SOME WAYS TOUGHER THAN THE ORIGINAL ARGENTINE DRAFT WHEN IT FINALLY EMERGED. WE GATHER THAT VENEZUELA WAS OUTSPOKENLY ASSERTIVE THROUGHOUT THE MEETING: REASONABLE DRAFTS FROM COLOMBIA AND COSTA RICA WERE SWEPT ASIDE. THE MEXICANS AND BRAZILIANS, WHO PLAYED A MODERATING ROLE AT THE LAST MEETING, SEEM TO HAVE HAD LITTLE EFFECT THIS TIME ROUND. THE AMERICANS WERE ALYOST ENTIRELY ROUTED, ALTHOUGH THEY TOOK SOME CONSOLATION IN THE REMOVAL OF A SPECIFIC REFERENCE TO ACTION UNDER THE PROVISIONS OF THE RIO TREATY IN OPERATIVE PARAGRAPH 7. THE COLOMBIANS MANAGED TO SMUGGLE IN REFERENCE TO THE PEACEFUL RESOLUTION OF DISPUTES.

A. EXPLANATIONS OF VOTE WERE PREDICTABLE; COSTA MENDEZ DENOUNCED AGAIN THE US AND UK WHILE INSISTING THAT ARGENTINA REMAINED, AS ALWAYS, READY TO NEGOTIATE A PEACEFUL SETTLEMENT TO THE DISPUTE WHICH TOOK DUE REGARD OF ITS INALIENABLE RIGHTS. THE AMERICAN DELEGATE COMPLAINED THAT THE RESOLUTION TOOK NO ACCOUNT OF THE BRITISH CASE OR OF THE MANDATORY TERMS OF UNSCR 5021 THE US WOULD LIFT ITS SANCTIONS AGAINST ARGENTINA WHEN 502 WAS IMPLEMENTED. HE ADDED THAT THE US WAS PLEASED THAT THE RESOLUTION AVOIDED LANGUAGE WHICH SOUGHT TO MAKE ITS OPERATIVE PARAGRAPHS MANDATORY (AN INTERPRETATION NOT SHARED BY SOME OTHER DELEGATIONS). THE BRAZILIAN AND ESPECIALLY THE MEXICAN MADE POISONOUS EXPLANATIONS OF YOTE SHOWING A PARTIALITY NOT FULLY REFLECTED IN THEIR GOVERNMENT'S STATED POSITIONS. CHILE SAID MYSTERIOUSLY THAT SHE HAD ABSTAINED FOR JURIDICAL REASONS.

5. COMMENT. THIS IS A MISERABLE-RESOLUTION: IT TAKES NO ACCOUNT OF THE FACTS AND OBVIOUSLY DOES NOTHING TO HELP A PEACEFUL SETTLEMENT. IT IS PRESUMABLY A SIGN OF THE EMOTIONS IN LATIN AMERICA THAT SO MANY OTHERWISE RESPONSIBLE GOVERNMENTS SHOULD HAVE SUPPORTED IT. SOME DELEGATES ARGUED PRIVATELY THAT THE RESOLUTION WOULD HAVE NO PRACTICAL EFFECT SINCE THOSE WHO WISHED TO SUPPORT ARGENTINA NEEDED NO ENDORSEMENT FROM THE RIO TREATY, WHILE NEITHER THE UK NOR THE US WOULD CHANGE THEIR POLICIES BECAUSE OF SUCH NONSENSE. (WE VIGOUROUSLY CONFIRMED THIS). HOWEVER IT IS POSSIBLE, GIVEN THE STRENGTH OF RHETORIC AT THE MEETING, THAT ARGENTINA WILL IMAGINE THAT AS A STATEMENT OF LATIN SOLIDARITY IT REPRESENTS GREATER REAL SUPPORT THAN MAY REALLY EXISTS IF SO, THE RESOLUTION COULD HAVE THE UNXEL-

COME EFFECT OF HARDENING THE ARGENTINE NEGOTIATING POSITION.

6. THIS WAS A DIFFICULT MEETING FOR THE AMERICANS: THE OUTPOURING OF LATERT RESENTMENT AGAINST THE GINGO WHICH US SUPPORT FOR THE UK HAS BROUGHT TO THE SURFACE THREATENED THE INTER-AMERICAN SYSTEM TO WHICH SO MUCH IMPORTANCE HAS BEEN ATTACHED BY THIS ADMINISTRATION. HOWEVER HAIG STOOD ADMIRABLY FIRM, AND AS THE MEETING CLOSED EARLY THIS MORNING, SPECULATION ABOUT THE IMMIRENT COLLAPSE OF THE RIO TREATY SEEMED NOTICEABLY MORE SUBDUED. THE GENERAL FEELING WAS THAT, ONCE AGAIN, THE LATINS HAVE MOUNTED AN ELABORATE SIDESHOW IN WHICH MOST OF THE PARTICIPANTS RECOGNIZE THAT WHILE THEIR PERFORMANCE MAKES THEM FEEL BETTER, IT HAS LITTLE TO DO WITH THE REAL ISSUES

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CONFIDENTIAL
FROM UKNIS NEW YORK 2918432 MAY 82
TO IMMEDIATE F C D
TELEGRAM NUMBER 892 DATED 29 MAY 82
INFO IMMEDIATE WASHINGTON

M

MY TELNO 887: FALKLANDS

1. THE SECRETARY-GENERAL TELEPHONED ME AT 17382 TODAY (29 MAY). HE HAD JUST SEEN LISTRE (ARGENTINA), AT LISTRE'S REQUEST. LISTRE HAD SAID THAT THE ARGENTINE'S HAD STUDIED OUR POSITION. THE TERMS WE WERE OFFERING WERE TERMS FOR SURRENDER, WHICH THEY COULD NOT ACCEPT. THEY WERE CONCENTRATING ON OPERATIVE PARAGRAPH 4 OF SCR 505, WITH ITS REFERENCE TO UN OBSERVERS: WE WERE CONCENTRATING ON SURRENDER.

2. PEREZ DE CUELLAR SAID THAT THERE WAS ONE POINT IN OUR POSITION
IN WHICH THE ARGENTINES HAD SHOWN INTEREST: IN YOUR MESSAGE OF
27 MAY YOU HAD REFERRED TO "INTERNATIONAL SECURITY ARRANGEMENTS":
THE ARGENTINES WISHED TO KNOW WHETHER YOU WERE THINKING OF
SOMETHING UNDER UN AUSPICES OR SOMETHING AKIN TO THE SINAI MEG.

WE WERE CONCENTRATING ON SURRENDER.

THE ARGENTINES WAS SHOWN INTEREST: IN YOUR POSTTICH
OF ANY YOU HAD REPERRED TO "SINTERNATIONAL SECURITY ARRANGEMENTS".

THE ARGENTINES WISHED TO KNOW METHER YOU WERE THINKING OF
SOMETHING UNDER UN AUSPICES OR SOMETHING AKIN TO THE SINAL WPO.

- 3. I SAID THAT I WOULD SEEK CLARIFICATION ON THIS POINT (IN RESPONSE TO SIMILAR ENGUIRY FROM DE SCTO ON 27 MAY, WE SAID, ON A PERSONAL BASIS, THAT WE DID NOT THINK THAT UN ARRANGEMENTS WOULD NECESSARILY BE EXCLUDED, PROVIDED THAT THERE WAS WATERTIGHT AGREEMENT THAT THE USA WOULD PARTICIPATE).
- A. PEREZ DE CUELLAR CONFIRMED THAT HE DID NOT EXPECT A
 RESPONSE FROM ME BEFORE MONDAY (31 MAY). HE ASSUMED THAT HE
 MOULD THEN HAVE TO REPORT TO THE PRESIDENT OF THE SECURITY COUNCIL
 THAT HIS RENEWED MISSION HAD FAILED. HE DID NOT WANT TO LEAVE THIS
 LATER THAN MONDAY EVENING. HE WOULD BE GRATEFUL TO KNOW WHETHER,
 WHEN HE REPORTED TO THE COUNCIL, HE COULD MAKE PUBLIC THE
 TERMS OF YOUR MEESSAGE OF 27 MAY (YOUR TELNO 475).
 5. I DO NOT WEED INSTRUCTIONS BEFORE 14862 ON 31 MAY.

PARSONS

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I was the second of the second of the ADVANCE COPIES: FALKLAND ISLANDS GEVERAL (39) PS/13 EURD PS/SER GESLOW PS/PUS KR BULLARD SIR I SINCLAIR KR GIFFAFD ER WEIGHT MR ADAMS LORD N G LEGROX LOAD BRIDGES.

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SIR R ARESTRONG SIR M PALLISER JUR EADE-GERY HR FULLER SAPU/DIO DIO

CASTRET OFFICE

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Mr. Dickson, D/ENERGY

Passed to E.R. ypits a.a.

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FY ROME 2918552 MAY 92

TO IMMEDIATE FCO TELEGRAM NO. 239 OF 29 MAY 82 INFO IMMEDIATE PARIS AND MODUX (DIC ARMS SALE).

OUR TELEGRAM NO. 298 OF 28 MAY ARMS FOR ARGENTINA

THE MINISTRY OF FOREIGN AFFAIRS ISSUED THE FOLLOWING STATEMENT

BEGINS: IN CONNECTION WITH REPORTS ISSUED BY A FOREIGN PRESS AGENCY TWO DAYS AGO CONCERNING THE POSSIBLE DELIVERY OF EXOCET MISSILES BY FRANCE TO PERU THROUGH ITALIAN TERRITORY, THE FARNESINA NOTES THAT CO REQUEST HAS BEEN MADE AND NO PER"ISSION HAS THEREFORE BEEN GRANTED FOR THE TRANSIT AND EXPORT OF THE ABOVE MENTIONED VATERIAL.

MORECYER, IN LINE WITH THE ITALIAN GOVERNMENT, FRANCE DOES NOT ALLOW THE EXPORT OF MILITARY MATERIAL, UNLESS IT IS ACCOMPANIED BY THE REQUISITE LICENCE WHICH CERTIFIES AND GUARANTEES THE END USER. IT IS FURTHER NOTED THAT THE TWO FRIGATES SUPPLIED IN THE PAST

IT IS FURTHER NOTED THAT THE TO FRIGATES SUMPLIED IN THE PAST TO PERU, TO WHICH YESTERDAY'S NEWS ITEM MAKES AN INAPPROPRIATE REFERENCE, CARRY ITALIAN WEAPON SYSTEMS. THESE SYSTEMS ARE TO BE FITTED TO THE OTHER TWO SHIPS OF THE SAME CLASS WHICH ARE AT PRESENT BEING FITTED OUT IN PERUVIAN YARDS.

THE WINISTRY REPEATS THAT ITALY STICKS BY THE SCRUPULOUS OBS-ERVANCE OF THE ENBARGO ON THE SUPPLY OF MILITARY MATERIAL TO ARG-ENTINA, WHICH WAS INTRODUCED IN COMPANY WITH COMMUNITY PARTHERS ON THE YORROW OF THE OCCUPATION OF THE FALKLAND ISLANDS (MALVINE). ENDS.

FRANCE PRESSE WHOSE ORIGINAL REPORT CAME FROM LE HAVRE ON 26
MAY. THE REFERENCE IN THE FARNESINA STATEMENT TO SHIPS SUPPLIED TO
PERU IS DESIGNED TO SCOTCH SUGGESTIONS MADE BY SOME JOURNALISTS THAT
EXOCETS MIGHT BE SUPPLIED TO PERU TO BE FITTED TO SHIPS THAT PERU
HAS BOUGHT FROM ITALY.

ARCULUS BT

MMMM

ARVANCE COPIES: PALXLAND ISLANDS GENERAL (39)

SIR I SINCLAIR VANCE CCPY

LR WRIGHT L'R ADAMS

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RESIDENT CLERK

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PS/S OF S FOR DEFENCE

MR J STEWART AUSD STAFF MOD

PS/CHANCELIOR MR ILETT MR LITTLER

TREASURY

KISS DICKSON D/ENERGY

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

CABINET OFFICE

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

SECRET FN LIMA 2917102 MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 213 OF 29 MAY 14FO IMMEDIATE WASHINGTON

MIPT

1. WHEN HE SPOKE TO ME YESTERDAY (MY TEL NO 207) PRESIDENT RELAUNDE NO LONGER SOUNDED HIS GENIAL AND AFFARLE SELF ALTHOUGH HE WAS COURTEOUS AND URBANE AS ALWAYS. HE IS UNVIOUSLY A SORRIED MAN. HE IS PROBABLY THINKING THAT GALTIEP! IS STRINGING HIM ALONG WHILE TALKING THROUGH THE BACK DOOR TO THE PERUVIAN KILITAPY: AND THAT THE BRITISH ARE NOT TAKING ANY YOTICE OF HIM, WE KNOW HE IS HAVING TROUBLE WITH HIS ARMED FORCES AND PARTICULARLY WITH THE MINISTER OF WAR.

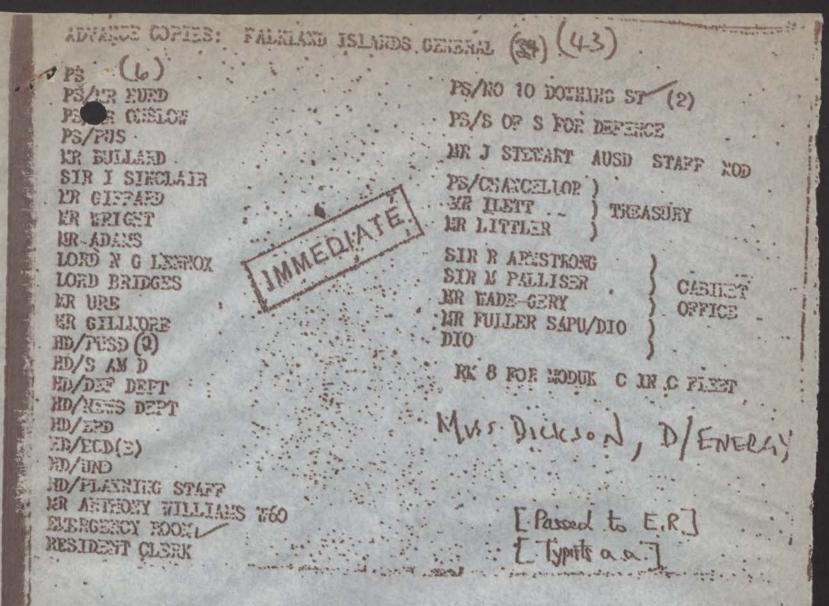
I SHOULD THEREFORE SE GRATEFUL IF YOU WOULD COUSTDER SENDING PRESIDENT BELAUNDE A MESSAGE REFERRISE TO THE LATEST INITIATIVE BY THE THREE PRESIDENTS, THANKING HIM AGAIN FOR HIS REITEMATED EFFCRTS. CONCILIATORY INFLUENCE, UNCEASING SEARCH FOR PEACE AND SO FORTH. THE PESSAGE RIGHT ALSO HOLD OUT THE PROSPECT OF A ROLE FOR PERU IN THE LONGER TERM ONCE THE PRESENT MOST ILLITATIS CHARLES FOR MILL END VERY

LONGER TERM CAGE THE PRESENT HOSTILITIES (WHICH WE HERE WILL END VERY SHORTLY) ARE OVER IN THE COMPLEX AND LENGTHY SEARCH FOR A PERMANENT SOLUTION IN WHICH WE SHALL GO'T INCE TO ATTACH VALUE TO THE WEIGHT OF PERM'S INFLUENCE IN LATIN AMERICA AND TO THE CONSTRUCTIVE ROLE THAT PRESIDENT BELAUNDE HAS PLAYED SO FAR IN THE DISPUTE. IF YOU CAN ADD THAT THERE MAY EVEN DE A PART TO PLAY IN THE LONGER TERM APPRAGEMENTS WHICH MAY BE EVOLVED FOR THE ISLANDS EITHER WITH OTHER COUNTRIES IN LATIN AMERICA OR THROUGH THE UNITED NATIONS SO MUCH THE BETTER. I KNOW YOU WILL APPRECIATE THAT THE MAIN OBJECT OF SUCH A MESSAGE AT THIS STAGE WOULD BE TO ATTEMUATE THE EFFECT OF ANY ARGENTINE MILITARY HUMBLIATION AND ECONOMIC DISINTEGRATION WHICH HE (AMONG OTHERS) WILL HAVE FAILED TO PREVENT.

WALLACE

Mersia

GODE MITTHARD



CONFIDENTIAL

FM LIMA 2916302 MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 212 OF 29 MAY

INFO IMMEDIATE UKMIS NEW YORK WASHINGTON BOGOTA BRASILIA

YOUR TEL NO 125 : JOINT PROPOSALS

THE PRESIDENT HAD PUBLIC ENGAGEMENTS LAST NIGHT AND LEFT EAPLY THIS MORYING FOR THE PROVINCES TO INAUGURATE SOME PUBLIC WORKS. I HAVE THEREFORE SPOKEN TO THE SECRETARY GENERAL OF THE PRESIDENCY AND DICTATED TO HIM A TRANSLATION OF THE ESSENTIAL POINTS MADE IN PARAGRAPH 3 OF YOUR TEL NO 112 TO BOGOTA WHICH HE WILL BRING TO THE ATTENTION OF THE PRESIDENT AS SOON AS HE RETURNS LATER TODAY. HE COMMENTED THAT THIS AMOUNTED TO A REJECTION OF THE PROPOSALS PUT FORWARD BY THE THREE PRESIDENTS AND THAT PRESIDENT RELAUNDE HOULD BE WERY DISAPPOINTED. OUR CONVERSATION ALSO COVERED OTHER ASPECTS OF RECENT DEVELOPMENTS IN WHICH, AMONG OTHER THIRSS, I EMPHASIZED THAT THE SITUATION HAD CHANSED BOTASLY SINCE WE HAD PROPOSED ON 17 MAY INITIAL MITHURAWAL OF FORCES (TOGETHER WITH OTHER ARRA HEMENTS FOR LANGER TERM MESCILATIONS). WHICH PROPOSALS HAD BEEN PEDICTED BY THE

THE SITUATION MAD CHANGED DOTABLY SINCE LE HAD PROPOSED UN 17 LAN INITIAL MITHORAMAL OF FORCES (TOGETHER WITH OTHER ARRANGEMENTS FOR LONGER TERM REGOTIATIONS), WHICH PROPOSALS HAD BEEN REJECTED BY THE ARGENTIVES THEMSELVES. I ALSO CONVEYED OUR CONTINUED GRATITUDE ETC BUT I SUSPECT THIS MESSAGE MAY GIVE US A BIT OF A ROUGH RIDE IN THE CUSTOMARY PRESIDENTIAL PRESS CONFEDENCE WHICH TAKES PLACE AT HORY (LOCAL TIME) OH SUNDAYS, PARTICULARLY IN THE LIGHT OF LEADING QUESTIONS WHICH HE MAY BE ASKED ON ARTICLE 7 OF THE OAS RESOLUTION APPROVED TODAY. ACCORDING TO THE SECRETARY GENERAL OF THE PRESIDENCY MOTHING HAD SO FAR BEEN HEARD FROM EITHER FIGUEIREDO OR TURBAY ABOUT YOUR RESPONSE TO THE JOINT APPROACH. THE PERUVIANS SEEN TO BE UNDER THE IMPRESSION THAT THE PERUVIAN CHARGE IN LONDON ALSO INTERVEUED.

2. PLEASE SEE MIFT (NOT TO ALL).

WALLACE

SIRLANDS SELECTIVE ADVANCES (37)

PS/MR HURD PS/MER ONSLOW PS/PUS PS/LORD BEISTEAD MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT ED/S AM D ED/DEF D ED/PLANNING STAFF ED/UND ED/NEWS D ED/ERD ED/PUSD MR REED, PUSD EMERGENCY ROOM PESIDENT CLERK

PS/NO 10 DOWNING STREET (2 copies)

PS/S OF S DEFENCE

PS/HOME SECRETARY

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

PS/ATTORNEY GENERAL

PS/CHANCELLOR DUCHY OF LANCASTER

PS/SIR R ARMSTRONG PS/SIR M FAILISER PS/SIR A DUFF MR WADE-GERT MR FULLER

CABINET

OFFICE

MR COLVIN MR O'NEILL HD ASSESS-MENTS STAFF

DIO

MR J M STEWART AUSD STAFF MOD ADMIRAL SIR ROY BALLIDAY DGI MOD DIRECTOR G.C.H.Q. (via Room 8)

N.

GRS 40A

CONFIDENTIAL

FM LUXEMBOURG 291058Z MAY

TO IMMEDIATE FCO

TELEGRAM NUMBER 170 OF 29 MAY 1982

AND TO IMMEDIATE MODUK (FOR DIC ARMS CONTROL CELL)

INFO ROUTINE BRUSSEL8

MY TELNO 169 : CARGOLUX AND FALKLANDS

1. A LUXEMBOURG MEMBER OF CARGOLUX BOARD TOLD ME THIS MORNING THAT AS A RESULT OF THEIR MEETING WITH MADAME FLESCH LAST NIGHT, THE BOARD WAS RECALLING TO LUXEMBOURG THE CARGOLUX AIRCRAFT ON CHARTER TO AERO-URUGUAY, WHICH WILL THUS BE DENIED ITS USE.

THOMAS

ADVANCE COPIES: PALKLAND ISLANDS GENERAL

级.

IMMEDIATE

PAPER HURD POYER OUSLOW FO/FOS DT. BULLARD

GIR I SINCLAIR

ur Cippard

LORD R GORDON LENNOX

LORD BRIDGES

ER URE

UR GILIMORE

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ED/PLANNING STAFF MR ANTHONY WILLIAMS W60

MENGENCY UNITY

RESIDENT CLERK

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PS/S OF S FOR DEFENCE

MR J STEWART AUSD STAFF MOD

PS/CHARCELLOR MR ILSTT MR LITTLER

TREASURY

MISS DICKSON D/ERESGY

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

CABINET OFFICE

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37

[Passed to B.R.]

CONFI DENTI AL

EESKBY 29 14ddZ

FM PARIS 2912007 MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 562 OF 29 MAY 82

INFO ROUTINE UKMIS GENEVA, BRASILIA, STOCKHOLM, MODUK (DS11AND DS15).

YOUR TEL NO 368: ASTIZ

1. DUFOURCO THE DIRECTOR FOR EUROPE IN THE QUAI ASKED TO SEE

ME THIS MORNING. HE SAID THAT THE FRENCH WERE DEEPLY DISAPPOINTED

BY YOUR REPLY TO THEIR REQUEST. THEY SUSPECTED THAT OUR NEGATIVE

RESPONSE DID NOT REALLY DERIVE FROM LEGAL CONSIDERATIONS. THEY

COULD NOT UNDERSTAND WHY THE UK HAD FELT IT NECESSARY TO SEEK

THE AGREEMENT OF THE ARGENTINE GOVERNMENT AND ASTIZ HIMSELF TO

THE PRINCIPLE OF QUESTIONS BEING PUT TO ASTIZ. NO LEGAL TEXT

OBLIGED THE UK TO DO THIS. FRENCH PUBLIC OPINION WOULD NOT

UNDERSTAND OUR POSITION. DUFOURCO ADMITTED THAT ASTIZ WOULD PROBABLY

REFUSE TO ANSWER QUESTIONS, BUT ARGUED THERE WAS NO GOOD REASON

WHY THEY SHOULD NOT BE PUT. HE SAID THAT THE FACT OF THEIR

HAVING BEEN PUT WOULD AT LEAST HELP WITH PROCEEDINGS WHICH MIGHT

BE TAKEN AGAINST ASTIZ IN HIS ARGUED.

constructed the month of Person .. BE TAKEN AGAINST ASTIZ IN HIS ABSENCE. 2. DUFOURCO ASKED ME TO CONVEY THE FRENCH GOVERNMENT'S VIEW TO YOU TOGETHER WITH A STRONG REQUEST THAT YOUR DECISION BE RECONSIDERED, BEARING IN MIND THE SUPPORT FRANCE HAD GIVEN THE UK OVER THE FALKLANDS. 3. I REPLIED DRAWING ON TUR, STRESSING THAT WE WERE CONVINCED OF THE CORRECTNESS OF OUR DECISION AND THAT THE ICRC SHARED OUR VIEW. COMMENT. 4. IT WOULD HELP A LOT WITH FRENCH OPINION IF WE COULD FIND A. WAY TO HAVE THE FRENCH QUESTIONS PUT TO ASTLZ, PERHAPS IN THE PRESENCE OF AN ICRC REPRESENTATIVE TO GUARD AGAINST ANY CLAIM OF COERCION, IF THIS OPENED THE WAY TO SOME FORM OF JUDICIAL PROCEDURE IN ABSENTIA AGAINST ASTIZ IN FRANCE, THIS TOO WOULD HELP

TO KEEP PUBLIC OPINION ON THE RIGHT SIDE IN RELATION TO THE FALKLANDS AND ARGENTINA. I DO NOT THINK THE FRENCH SERIOUSLY EXPECT ASTIZ TO ANSWER ANY QUESTIONS ABOUT HIS PAST BUT THEY EVI DENTLY ATTACH IMPORTANCE TO HAVING DIRECTLY FROM HIM A REFUSAL TO ANSWER SPECIFIC QUESTIONS AS SET OUT IN THEIR ROGATORY COMENISSION.

FRETWELL

NNNN

SENT/RECD AT 29/1236Z AM/RECD 1235/29 TC

IELANDS SELECTIVE ADVANCES (37)

PS/MR HURD PS/MR ONSLOW PS/PUS PS/LORD BELSTEAD MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE MR URE MR BARRETT HD/S AM D ED/DEF D ED/PLANNING STAFF ED/UND ED/NEWS D ED/EPD ED/PCSD MR PEED, PUSD EMERGENCY ROOM PESIDENT CLERK

PS/NO 10 DOWNING STREET (2 copies) PS/S OF S DEFENCE PS/EOME SECRETARY PS/HOME SECRETARY (c/o NO 10 DSt) PS/ATTORNET GENERAL PS/CHANCELLOR DUCKY OF LANCASTER PS/SIR R ARMSTRONG PS/SIR M PALLISER PS/STR A DUFF MR WADE-GERY CARTNE MR FULLER OFFICE MR COLVIN MR O'NETILL HD ASSESS MENTS STAFF DIO -12 - K CTENARY AND BY - KOD

OO MODUK (FOR DIC ARMS CONTROL CELL)

PP BRUSSELS

GRS 400

SECRET

FM LUXEMBOURG 290830Z MAY

TO IMMEDIATE FCO

TELEGRAM NUMBER 169 OF 29 MAY 1982

AND TO IMMEDIATE MODUK (FOR DIC ARMS CONTROL CELL)

INFO PRIORITY BRUSSELS

THINE DIATE CORY

ADMIRAL STR ROY WATTINGY OUT MOR

DINOTOR G.C.H.C. (via Room 8)

m

MY TELNO 1671 CARGOLUX AND FALKLANDS

- 1. MADAME FLESCH ASKED ME TO CALL LAST NIGHT TO REPORT HOW HER MEETING WITH THE CARGOLUX BOARD HAD GONE.
- 2. YESTERDAY MORNING SHE BRIEFED HER CABINET COLLEAGUES ON WHAT CARGOLUX HAD BEEN DOING. THEY EXPLODED. THE "VIKING PIRATES" WERE GRAVELY DAMAGING THE COUNTRY'S GOOD NAME. WERNER HAD FORMALLY AUTHORISED HER TO READ THE RIOT ACT.
 - 3. FOUR LUXEMBOURG MEMBERS OF THE BOARD WERE PRESENT (TWO OF

THEM I HAD BRIEFED IN ADVANCE) AND ORAFSON. THE LATTER REMAINED SILENT THROUGHOUT. THE CHAIRMAN (SIETZEN) AGREED THE MAY FLIGHT FROM SOUTH AFRICA TO ARGENTINA AND THE 25 MAY FLIGHT FROM TEL AVIV TO LINA HAD TAKEN PLACE, BUT CLAIMED THAT HE HAD NO REASON TO SUPPOSE THE FIRST DID NOT CARRY AGRICULTURAL EQUIPMENT AS STATED ON THE CARGO MANIFEST, NOR THE SECOND EMPTY CONTAINER FOR HEAVY WATER. HE ACKNOWLEDGED THAT CARGOLUX HAD RECEIVED 360,000 DOLLARS FOR THE SECOND FLIGHT, CLAIMING THAT WAS A NORMAL COMMERCIAL FEE.

- 4. MADAME FLESCH THEN DEPLOYED OUR OWN INTELLIGENCE, DESCRIBING IT AS HER INFORMATION, IN THE TERMS I HAD PREVIOUSLY AGREED WITH HER, * THIS SEVERELY SHOOK THE BOARD. SHE SAID THAT WHAT HAD HAPPENED WAS PAINFUL TO BRITISH INTERESTS AND THUS TO LUXEMBOURG. IT WAS CONTRARY TO THEIR MATO AND EC COMMITMENTS. THE LUXEMBOURG GOVERNMENT COULD NOT ACCEPT THAT ITS REPUTATION, AND THE POLITICAL AND ECONOMIC STANDING OF THE COUNTRY, SHOULD BE TARNISHED BY THIS BEHAVIOUR. NOR WAS IT THE FIRST TIME CARGOLUX HAD I GHORED ITS RESPONSIBILITIES (A REFER--ENCE TO THELIBYAN ACTIVITIES LAST YEAR.)
- 5. THE LUXEMBOURG GOVERNMENT, SHE TOLD THE BOARD, WOULD IN FUTURE CHECK THE ITINERARIES OF ALL CARGOLUX FLIGHTS IN ADVANCE. CUSTOMS WOULD CHECK THE CARGOES OF ALL CARGOLUX FLIGHTS THROUGH FINDEL ATRPORT. SHE DEMANDED AN ASSURANCE FROM THE BOARD THAT CARGOLUX WOULD NOT ENGAGE IN ANY SUCH OPERATION AGAIN. IF THEY DID, THE GOVERNMENT WOULD EITHER CANCEL THE OFFENDING AIRCRAFT'S REGISTRATION OR WITHDRAW CARGOLUX'S LICENCE TO TRADE. SHE TOLD THEN THIS WAS A FORMAL GOVERNMENTAL DECISION. FURTHERMORE, THE GOVERNMENT REQUIRED THE BOARD TO TAKE IMMEDIATE MEASURES TO TIGHTEN THEIR CONTROL OF THE MANAGEMENT OF THE COMPANY.
- 6. SIETZEN, SPEAKING AS CHAIRMAN, GAVE MADAME FLESCH THE ASSURAN--CES SHE HAD SOUGHT.
- 7. MADAME FLESCH PRIVATELY AND SEPARATELY TOLD THE LUXEMBOURG BOARD MEMBERS THAT SHE HAD INFORMATION WHICH INDICATES THAT OLAFSSON HAD POCKETED A MASSIVE BRIBE FOR ONE OF THE FLIGHTS. SHE REPEATED TO THEM MY JUDGEMENT THAT WE WOULD LAUGH IF THEY ASKED US FOR RIGHTS IN HONG KONG.

UT DERF AUGE DE DESEMBLE DE LA LACAMENTO DE PRESIDENTE DE LA COMPTENDE DE LA C

Passage delike and returned whole 19 April 2012 under Section 3(4). ONSayland, 19 April 2012

^{8.} I THANKED MADAME FLESCH. WE AGREED THAT I SHOULD RECOMMERD THAT BOTH OUR GOVERNMENTS SHOULD TAKE THE FOLLOWING PRESS LINE IF QUESTIONED AFTER THE PROPOSED SUNDAY TIMES ARTICLE ON 30 MAY:

WE WERE AWARE OF THESE ALLEGATIONS. OUR TWO GOVERNMENTS WERE CLOSELY IN TOUCH. I HAD CALLED ON MADAME FLESCH ON SEVERAL OCCAS-IONS. SHE HAD SUMMONED THE BOARD OF CARGOLUX TO REMIND THEM OF THEIR OBLIGATIONS. THE LUXEMBOURG GOVERNMENT WOULD DO EVERYTHING NO ITS POWER TO ENSURE THAT LUXEMBOURG MET ITS COMMITMENTS TO HER BRITISH PARTNER AND ALLY.

THOMAS

NNNN

SENT/43:0 -5 29

250 COALTE G 54511 PO CD G TXFC429 TCE 198 PUERTO ARGENTINO/ ISLAS MALVINAS/REP NE ARGENSONEITERE AGAIN 54250 COALTE G -22/5/02 54511 PC CD G TXF0429 TC8190 PUERTO ARGENTING/ISLAS MALVINAS/REP ANGENTINA 27/28 28 1051 NEEDHAM CCALITE
BOLSOVER CHESTERFIELD Radio " Careing the Fallseands" HEARD YOU LAST NIGHT MANY THANKS, ALL IN STANLEY STILL SAFE AND WELL PLEASE ADVISE RELATIONS FRIENDS AND GEORGES FATHER HARRY ROSEMARIE MARIE E4250 COALTE G 54511 PO CD 6 54250 COALTE G 3/15/29 31 MA Y 1982/2125 ZCZC CBDS55 TCE977 AU1922 GBXX CC AEBX 013 PUERTO ARGENTINO 13/12 31 1046 NEEDHAN CGALITE BOLSOVER CHESTERFIELD ALL IN STANLEY STILL OK HARRY ROSEMARIE MARIE OSEAGRAM BD 54250 COALTE G

ASMANCE COPIES: FALKIAND ISLANDS GENERAL (45) (45) T5 (6) PS/No 10 DOWNING ST (2) RS/LH HURD ADVANCE COPY PS/S OF S FOR DEPENCE LEN ONSLOW DBY 2816002 PS/PUS MR J STEWART AUSD STAFF KOD MR MILLARD IMMEDIATE SIR I SIRCLAIR PE/CHANCELLOR HR GIFFARD UR TLETT TREASURY ER URIGHT ER LITTLER ER ADAMS LORD N. GORDON LENNOX MISS DICKSON D/ENERGY LORD BRIDGES LR URE SIR R ARMSTRONG MR GILLMORE CABINET OFFICE SIR M PALLISER HD/PUSD (2) MR WADE-GERY iill/S Am D MR FULLER SAPU/DIO HD/DEPENCE D DIO HD/NEWS D HD/ERD ROOM 8 FOR MODUK C IN C PLEET ED/ECD(E) HD/UND HD/PLANNING STAFF ER ANTHONY WILLIAMS WGO [Passed to E.R.] KINDAMAKAKAKAD! [Typists a.a.] RESIDENT CLERK CONFIDENTIAL **DESKBY 281500Z** FM BRASILIA 281440Z HAY 82 TO INMEDIATE FCO TELEGRAM NUMBER 217 OF 28 MAY IMFO MODUK (DIC ARMS CONTROL CELL, MOD (ROOM 3356) FALKLANDS: EXOCETS 1. FRENCH NAVAL ATTACHE TOLD ME LAST NIGHT THAT A CLASSMATE OF HIS WAS WORKING IN THE DASSAULT FACTORY ON THE PRODUCTION OF EXOCET MISSILES. WHEN HE WAS IN FRANCE ON DUTY SOME THO OR THREE WEEKS AGO HE HAD HAD AN OPPORTUNITY OF DISCUSSING

THE FALKLANDS CONFLICT WITH THIS FRIEND AND WAS TOLD, AS A

AND 5 EXOCET AM 39 HISSILES HAD BEEN SUPPLIED BY FRANCE TO

2. CAPTAIN DEBEDDE WENT ON TO SAY THAT 10 ARGENTINE PILOTS HAD BEEN TRAINED ON SUPER ETENDARDS ABOARD A FRENCH AIRCRAFT CARRIER, THEY HAD ALSO RECEIVED TRAINING IN THE LAUNCHING OF

EXOCET MISSILES. BUT HE WAS QUITE CERTAIN THAT THE ARGENTINE SUPER

ETENDARDS HAD HOT AS YET BEEN OPERATED FROM THEIR OWN AIRCRAFT

MATTER OF CERTAINTY THAT ONLY 5 SUPER ETENDARD AIRCRAFT

ARGENTINA.

TO CARRY THESE HEAVY AIRCRAFT AND WOULD REQUIRE STRENCTHELY
FOR THAT PURPOSE.

CHEDDE SAID THAT THE ARGENTINE PILOTS HAD ROT PRESSED THEIR ATTACK CLOSELY ENOUGH AND HAD TENDED TO LET OFF THEIR MISSILES TOO SOON. HE IMPLIED THAT THE ATTACK AGAINST HAS SHEFFIELD WAS LUCKY TO HAVE SUCCEEDED, ON THE OTHER HAND, A PILOT KHO HAD BEEN PROPERLY TRAINED IN THE USE OF EXOCET COULD HARRLY HISS: THE COMPUTERISED TARGET ACQUISITION AND PIRECTION ASSEMBLY WAS AMAZINGLY EFFICIENT AND SHOULD NOT ROUMALLY MAKE A HISTAKE, PROVIDED THAT THE AIRCRAFT WAS POINTED IN THE RIGHT DIRECTION AND THE RADAR WAS LOCKED ON TO THE RIGHT TARGET.

4. I ASKED HOW IT WAS THEN THAT ONE OF THE MM 38 EXOCETS FIRED IN TRIALS BY THE BRAZILIAN HAVY LAST YEAR HAD MISSED, CAPTAIN DEBEDDE SAID THAT AR INVESTIGATION BY THE FRENCH EXPERTS WHO HAD BEEN PRESENT AT THE FIRING HAD NOT PRODUCED ANY CLEAN-CUT EXPLANATION. THE FIRING PROCEDURES USED BY THE BRAZILIANS APPEARED TO HAVE BEEN ADSOLUTELY CORRECT. THEY WERE LESS CERTAIN, HOMEVER, ABOUT THE PREPARATION OF THE MISSILES FOR FIRING, MICH HAD BEEN DONE BY THE BRAZILIANS THEMSELVES WITHOUT FRENCH SUPERVISION. THE IMPROVED AND AD MISSILE WAS MORE FOOL-PROGF: AND THE FRENCH WERE HOPING TO INTEREST THE BRAZILIANS IN ITS FURCHASE.

AUTHORITIES HAD CONFIRMED THAT THEY WERE SUPPLYING EXOCET MISSILES TO PERU, WHICH WE FEARED MIGHT BE PASSED ON BY PERU TO ARGENTINA, CAPTAIN DEBEDDE SAID THAT HE COULD PROBABLY VERIFY THE ARRIVAL OF THESE MISSILES IN PERU THROUGH HIS FRENCH ATTACHE COLLEAGUE IN LIMA, IF HE WISHED.

6. I ASSUME THAT THE ABOVE IS ALREADY WELL KNOWN TO THE MOD. BUT IN VIEW OF THE ACUTE INTEREST ABOUT EVERY ASPECT OF EXOCETS AT THE MOMENT I REPORT IT NEVERTHELESS. IF YOU OR MOD WISHED ME TO PUT ANY FURTHER QUESTIONS TO CAPTAIN DEBEDDE, I AM SURE THAT HE HOULD DO HIS BEST TO ANSWER THEM. HE IS A SINGULARLY AGREEABLE AND STRAIGHTFORWARD COLLEAGUE, WITH WHOM MY OWN NA IS ON CLOSE TERMS.

CEUE EURD PS/MR CHELON PS/FUS . LR BULLED. SIR I SINCLAIR ADVANCE COMY ER GLEFARD er velour MIR-ADERS LORD A G LEGROX LORD BRIDGES ER URE HR GILLLORE HD/PUSD (2) HD/S AM D HE/DEF DEPT · HD/NEES DEPT HD/EPD $ED/ECD(\Xi)$ · HO/UND HD/FLANKING STAFF LR ANTHONY WILLIAMS 160 EXERGENCY ROOM RESIDENT CLERK

SIR R APESTRONG
SIR M PALLISER
LIR VADE-GERY
LIR FULLER SAPU/DIO
DIO

CABINET OFFICE

RK 8 FOR MODUK C IN C FLEET

Mus Dickson, D/ENERGY

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

FROM UKHIS CENEVA 281410Z MAY 82
TO INMEDIATE FGO
TELNO 280 OF 28 MAY
AND TO INMEDIATE MODUK (DS11 AND DS15)
INFO PARIS
INFO SAVING MONTEVIDEO, BRASILIA, BERNE

1. m

MY TELMO 269 (NOT REPEATED): AND PARIS TELMO 559: ASYIZ

1. GASSER OF ICRC TOLD US TODAY THAT HE DISCUSSED THE ASTIZ CASE FULLY WITH MOD AND FCO LEGAL ADVISERS IN LONDON ON 27 MAY AND THAT THE ICRC WERE CONTENT WITH OUR DECISION NOT(NOT) TO QUESTION ASTIZ BUT TO TREAT HIM METICULOUSLY ACCORDING TO THE THIRD GENEVA CONVENTION, THEY WERE PARTICULARLY SATISFIED WITH THE LEGAL ARGUMENTS ON WHICH WE HAD RELIED IN REACHING THIS DECISION.

THE ARGENTINE AUTHORITIES FOR INFORMATION ON IME'S INTENTIONS.
TOWARDS ASTIZ. WOULD IT BE IN ORDER FOR HIM TO GIVE THE ARGENTINES
THE GIST OF HIS COMMERCATIONS IN LORDER FOR HIM TO GIVE THE ARGENTINES.

TOWARDS ASTIZ. WOULD IT BE IN ORDER FOR HIM TO GIVE THE ARCE!TIMES THE GIST OF HIS CONVERSATIONS IN LONDON ON 27 MAY? WE NOTED THAT MUCH OF HEG'S THIMEING HAD ALREADY BEEN REFLECTED IN THE UK PRESS. BUT WE QUESTIONED WHETHER YOU WOULD WISH ICRC TO GIVE THE ARGENTINES ANY AUTHORITATIVE REASSURANCE AT THIS STAGE.

FCO PLEASE PASS TO SAVING ADDRESSEES

HARSHALL

MNNN

SENT/RECD AT 28/1420Z IN/DP

ADVANCE, COPIES: FALKLAND ISLANDS GENERAL (RS) PS/RO 10 DOWNING ST (2) AS FUED PS/S OF S FOR DEFENCE PS/RE CHELOR MR J STEEART AUSD STAFF PS/FUS DR BULLED. PS/CHANCELLOR) SIR I SIECLAIR . FR HETT ... TREASURY LE GISPAPO ER LITTLER MR VEIGHT SIR R APESTRONG BR-ADERS LORD R G LERNOX SIR E PALLISER CABIRET MR MADE-GERY OFFICE LORD BRIDGES IN FULLER SAPU/DIO LR URE ER GILLIORE HD/7430 (2) RE 8 FOR MODULE C IN C PLEET HD/S AM D ED/DEF DEFT . Was Dickson D HD/NEES DEPT M) LO ED/ECD(E) ED/UE HD/FLANING STAFF [Passed to E.R.] ISR ASTRONY VILLIANS V60 ETHONO: FORT RESIDENT CLERK

CRS 550

CONFIDENTIAL

FM STOCKHOLM 281400Z NAY B2

TO IMMEDIATE FCO

TELEGRAM NUMBER 93 OF 28 MAY 1982

BHFO PRIORITY PARIS AND UKHIS GENEVA.

INFO ROUTINE BRASILIA AND MODUK

IMMEDIA:

YOUR TEL NO 295 TO PARIS: ASTIZ

1. THE SWEDISH FOREIGN MINISTER, WHO HAD ISSUED A SHORT STATEMENT LAST WIGHT REGRETTING OUR NEGATIVE RESPONSE, SUMMONED ME THIS FORWARDS TO RECEIVE A MORE FORMAL EXPRESSION OF REGRET, MIFT CONTAINS HIS SPEAKING NOTES WHICH HE HANDED ME AFTERWARDS.

2, ULLSTEN SAID TWO POINTS WORRIED HIM IN PARTICULAR: HE WAS NOT ORWINCED THAT IT WAS AGAINST THE GENEVA CONVENTION TO PUT QUESTIONS TO ASTIZ, AND HE THOUGHT WE HAD COME BEYOND THE STRICT REQUIREMENTS OF THE CONVENTION IN SEERING ARGENTINE CONSENT. HE WAS NOT A LEGAL EXPERT AND WOULD NOT ASK US TO CONTRAVENE THE CONVENTION, BUT HIS OMI LEGAL ADVISERS HAD PRODUCED A DIFFERENT INTERPRETATION. THE NATION AS A SERIOUS ONE FOR STEDEN, HE KNEW THE FRENCH MERE

PATTER WAS A SERIOUS ONE FOR SWEDEN. HE KNEW THE FRENCH WERE

DISSATISFIED TOO.

3 I SAID WE WERE SORRY WE COULD DO NO MORE TO HELP. I COULD COMFIRM

THAT THE FRENCH WERE ALSO UNHAPPY. WE HAD ALSO TOLD THEM THAT WE

I SAID WE MERE SORRY ME COULD DO NO MORE TO HELP, I COULD COMPINE.

THAT THE FRENCH MERE ALSO UNMAPPY, ME HAD ALSO TOLD THEM THAT ME

COULD NOT HAND OVER ASTIZ UNDER THE EXTRADITION AGREEMENTS, AND

THE SAME APPLIED TO SHEDEN, HAVING CLEARED FIRST WITH EXERGENCY

WIT, I THEM ASKED ULLSTEN HOW HE THOUGHT WE COULD PROCEED, HAD

HE NO SUGGESTIONS? IT WAS NOT JUST THE ARGENTINE OBJECTION WHICH

HE ICHED WITH US BUT ALSO THE VIEW OF ICRC WHICH WAS VERY INPORTANT.

A ULLSTEN ASKED IF AMOTHER OCCASION COULD BE FOUND IN DUE COURSE TO ASK ASTIZ IF HE LOULD ANSWER QUESTIONS, HE HAD THE RIGHT TO MEEP SILENT, OF COURSE, BUT AFTER A PERIOD IN CAPTIVITY HIS CONSCIENCE WIGHT UNDUCE HIM TO COOPERATE: AFTER ALL, HE WOULD HARELY BE ADDE TO RECEIVED BACK IN BUENOS AIRES AS A HERO, PRESUMBLY HE WOULD HOT HAVE TO REVEAL TO THE ARGENTINES THAT WE HAD PUT THE QUERY AGAIN. I REPLIED THAT ASTIZ WOULD BE ENTITLED TO TELL THE ICRC, AND THE ARGENTINES COULD THEN ACCUSE US OF ATTEMPTED CORCION. I SAW HO WAY AROUND THIS, BUT IF ULLSTEN'S LEGAL ADVISERS FEALLY BELIEVED IN A DIFFERENT INTERPRETATION OF THE GENEVA CONVENTION, I THOUGHT WE MIGHT AT LEAST LOOK AT LT, THOUGH I DUBTED IF WE WOULD AGREE.

AT THAT POINT ULLSTEN DISMISSED HIS NOTE-TAKER AND SAID TO HE ALONE THAT HE AND THE SWEDISH GOVERNMENT WERE IN A SERIOUS POLITICAL SITUATION OVER ASTIZ. THE HAGELIN AFFAIR (THE MISSING SWEDISH GIRL) HAD ALL THE MAKINGS OF A MINI RAOUL WALLENBERG CASE AND HE WAS ANXIOUS THAT THE DOOR SHOULD NOT BE CLOSED AGAINST A SWEDISH APPROACH. WHAT HE WAS LOOKING FOR WAS SOME WAY OF SHOWING SWEDISH PUBLIC OPINION THAT QUESTIONS HAD BEEN PUT TO ASTIZ EVEN IF LATTER REFUSED TO ANSWER. HE WOULD GET HIS STAFF TO PREPARE AN INTERPRETATION OF THE GENEVA CONVENTION IN STRICT SECRECY.

I REPEATED THAT I COULD SEE NO WAY FORWARD, AND MY SUGGESTION OF A SWEDISH LEGAL INTERPRETATION MUST NOT BE TAKEN IN ANY WAY AS READINESS OR ABILITY TO RE-OPEN THE CASE. IT WOULD BE WRONG FOR ULLSTEN TO INFER OR TO SUGGEST IN PUBLIC THAT WE WERE OPEN TO RECONSIDERATION, AND I HOPED HE WOULD SAY HO MORE THAN THAT I HAD RECEIVED HIS FORMAL PROTEST. HE ACREED.

6. ULLSTEN CLOSED BY SAYING THAT ON THE FACE OF IT ASTIZ WAS A WICHOUSLY PICKED HAD. WE HAD THIS BIG FISH IN OUR GRASP, AND THOUSE HE FULLY UNDERSTOOD OUR PROPLEMS HE HOPED YOU WOULD UNDERSTAND HIS. WHEN LOUDD ASTIZ BE REPATRIATED? I REPEATED THAT NO DECISION HAD WEEN TABER ON THIS.

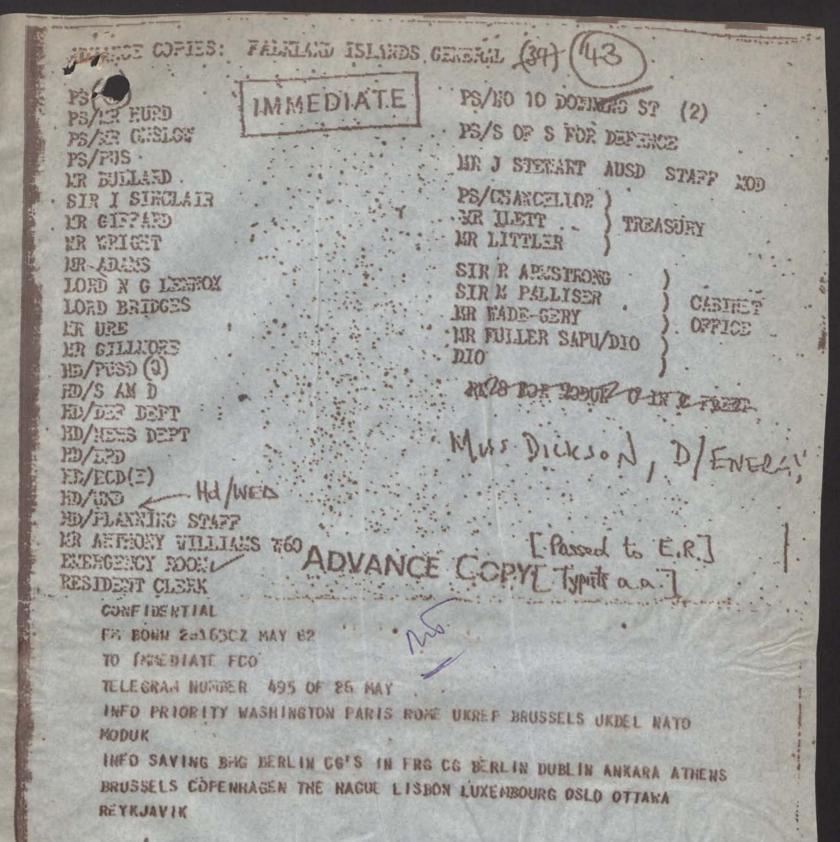
7. CLUSTON AND THE CHEDISH SOVERNMENT OFRERALLY HAVE DEED WELL DITH

7. ULLSTEN AND THE SMEDISH GOVERNMENT GENERALLY HAVE DEEN WELL MATHE US SO FAR ON THE FALKLANDS AND I IMAGINE WE MAY EVEN NEED THEIR. GOODWILL IN THE POST- EDSTILITIES STASE. HE REALISES THAT A LEGAL INTERPRETATION IS PRODABLY AN EMPTY SESTURE, BUT I THINK WE SHOULD AT LEAST LOOK AT IT.

FURRAY

NNN

SHT AT 2817342 TRO



FALKLANDS: THE GERMAN ATTITUDE SURMARY

1. ALTHOUGH THE GERMANS ARE BASICALLY SOLID IN THEIR SUPFORT FOR US OVER THE FALKLANDS, THEY ARE SHOWING TYPICAL SIGNS OF ANGST OVER THE WAY THE SITUATION IS DEVELOPING AND ITS POSSIBLE CONSEQUENCES. WE ARE DOING ALL WE CAN TO STIFFEN THEM, BUT I DELIEVE THAT IT WOULD BE EXTREMELY VALUABLE IF IT WERE POSSIBLE FOR YOU PERSONALLY TO SPEAK AGAIN TO HERR GENSHER AND TAKE HIM INTO YOUR CONFIDENCE OVER OUR FOSITION AS IT HAS DEVELOPED SINCE THE ARGENTINE REJECTION OF OUR PROPOSALS FOR AN INTERIM AGRSEMENT.

SOURT THE FALKLANDS QUOTE SO LONG AS THE CRISIS LASTS UNQUOTE (SCHAIDT WITH AITTERAND, 15 MAY) AND HAVE AGREED TO EXTEND COMMITTY SANCTIONS INDEFINITELY. BUT THIS SUPPORT, WHICH WORDLED GREATLY AFTER THE SINKING OF DELERAND, HAS BECOME RELUCTANT SINCE THE FIRST UN NEGOTIATIONS BROKE DOWN AND OUR LANDINGS TOOK FLACE. THE CHARCELLOR HAS BEEN REPEATING THIS WEEK IN PUBLIC THAT GENEAM SUPPORT IS NOT A QUOTE BLANK CHEQUE UNQUOTE FOR BRITAIN, AND INDEED GIVES GERMANY A QUOTE HORAL DUTY UNQUOTE. HERE GENSCHER HAS BEEN STAURCH ON HIS SUPPORT OF OUR RIGHTS AND PRINCIPLES, BUT TOLD THE CABINET ON 26 MAY, I AM RELIABLY INFORMED, THAT HE HAD AGREED TO EXTEND SANCTIONS ONLY ON THE UNDERSTANDING THAT THE UK AS WELL AS ARGENTINA HOURD DO EVERYTHING POSSIBLE TO ACHIEVE A POLITICAL SOLUTION.

3. THE GOVERNMENT CONDEWN THE AGGRESSION AND THE SREACH OF INTERNATIONAL LAW INVOLVED. THE CONCESSIONS WHICH WE HERE READY TO MAKE IN THE DRAFT INTERIA AGREEMENT FASSED TO THE UNSSION 17 MAY IMPRESSED THEM. BUT THEY FEEL THAT WE ABANDONED THAT ATTEMPT AT A REGOTIATED SETTLEMENT TOO QUICKLY. RELIABLE SOURCES IN THE FEDERAL CHANGELLOR'S OFFICE HAVE TOLD US OF THE CHANGELLOR'S DEEP CONCERN OVER OUR PRESENT STANCE ON REGOTIATIONS.

4. BEHIND THIS ATTITUDE LIES THE ENOTIONAL GERMAN AVERSION TO WAR WHICH I HAVE REFERRED TO BEFORE. TWO OTHER WORRIES HAVE LOOMED LARGER IN THE PAST WEEK. ONE IS THE POSSIBILITY OF DAMAGE TO EUROPE'S AND (ESPECIALLY) THE US'S RELATIONS WITH LATIN AMERICA, FROM WHICH THEY BELIEVE ONLY THE USSR STAND TO GAIN. STATE MINISTER CORTERIER, WHO IS VISITING VENEZUELA, COLOMBIA AND HONDURAS NEXT WEEK, WILL AT THE CHARCELLOR'S PERSONAL REQUEST BE TRYING TO HEAD THIS OFF. THE OTHER CONCERNS THE POSSIBLE EFFECT IN BOTH SHORT AND LONG TERM ON OUR NATO CONTRIBUTION AND OUR FORCES IN THE FRG.

50 THESE GOVERNMENT CONCERNS REFLECT THOSE OF GERMAN PUBLIC OFINION AND OF PARTS OF THE FARLIAMENTARY PARTIES, NOT EXCLUDING THE COU/CSU. I AM CONTINUING TO COMEAT SUCH ATTITUDES AS HARD AS POSSIBLE, WITH POLITICIANS, THE PRESS AND OTHERS. AND I AM SLIGHTLY ENCOURAGED BY THE ROBUST EXPRESSIONS OF SUPPORT WHICH HE ARE GETTING FROM SOME INDIVIDUALS.

E. BUT IT IS WORRYING THAT THE FEBERAL GOVERNMENT'S SUPPORT, THAT OF A SUUCE ALLY, SHOULD RE GRUDEING. IN THE LOUGER TEXT - PARTICULARLY

A MADOR ALLY, SHOULD BE GRUDGIAG. IN THE LONGER TERM - PARTICULARLY THE THE CONFLICT DRAGS ON - THERE IS SOME DANGER THAT THE DIFFERENCE OF VIEW WILL OPEN UP A RIFT IN ANGLO-GERMAN UNDERSTANDING SHICK WILL AFFECT OTHER AREAS OF MUTUAL INTEREST.

T. WHAT CAN WE DO TO STEN THE TIDE ? FIRST, I BELIEVE THAT THE GER LARS ARE AUCH INFLUENCED BY THE ATTITUDES OF OTHER EUROPEAN COUNTRIES. A LEADING SPD CRITIC OF OUR FOLICY WAS VISITLY DISCORDERTED WHER I TOLD HIM YESTERDAY THAT EVEN THE ITALIANS, DESPITE THE IR ANOWN DIFFICULTIES AND THE IR INABILITY TO REHEW SAUCTIONS, HAD HADE ROBUSTER HOISES IN OUR SUPPORT THAN THE GERMANS. THE FRENCH ARE OF COURESE A FARTICULARLY HELFFUL INFLUENCE, AND THERE IS LITTLE DOUBT THAT IT WAS AITTERRAND WHO PERSUADED SCHAIDT TO HAKE THE IR JOINT STATEMENT OF SUPPORT. I HOPE HE CAN BE PERSUADED TO KEEP UP THIS GOOD WORK, V

6. I ALSO THICK ITMOST IMPORTANT, HOWEVER, FOR OUR LONGER TERM RELATIONS THAT HAS SHOULD TAKE A FURTHER HIGH-LEVEL INITIATIVE TO IMPRESS UPON THE GERMANS THAT WE ARE REACTING RESPONSIBLY AND AFPROFRIATELY, AND WISH TO KEEP THEM IN OUR CONFIDENCE ABOUT WHAT IS GOING ON. I KNOW THAT YOU HAVE ALREADY GIVEN HERR SENSCHER A GOOD DEAL OF SPECIAL ATTENTION, INCLUDING THE INVITATION WHICH RESULTED IN HIS VISIT TO NORTHOLT ON 6 MAY, BUT THINGS HAVE HOVED ON STACE THEN, AND THE TELEPHONING THIS WEEK HAS BEEN ONE WAY, FROM BORN TO LONDON. THE GERMANS ARE A KEY ALLY, AND THEY SET GREAT STORE BY THE CONCEPT OF DIALOGUE. BEST OF ALL WOULD BE IF YOU WERE ABLE TO OFFER A FURTHER OFPGRTUKITY FOR A TALKS IF THIS COULD BE IN SOUR IT WOULD PROBABLY ENABLE YOU TO SEE HERR SCHMIDT ALSO. I WOULD OF COURSE BE SURPRISED IF YOUR PROGRAMME PERMITTED THAT, BUT I FEEL IT WOULD PAY GREAT DIVIDENDS FOR THE FUTURE. IF YOU CAN'T . I HOFE YOU MIGHT TELEPHONE HERR SENSCHER TO BRING HIM UP-TO-DATE AND SUGGEST THAT YOU GET TOGETHER FOR AN EXCHANGE OF VIEWS IN THE MARGINS OF VERSAILLES. I AM SURE THAT SUCH A GESTURE WOULD BE APPRECIATED.

FCO PLEASE PASS SAVING TO ADDRESSEES EXCEPT BAG BERLIN CG BERLIN AND CS'S IN THE FRG.

TAYLOR

AND THE PARTY OF T TABLE COPIES: FALIDAMO ISLANDS GENERAL (89) (43) PS/RO 10 DOTHIES ST (2) P3 (6) PS/IR RUED PS/S OF S FOR DEFENCE PS/AG GISLOW MAJ STEERART AUSD STAFF L'OD PS/FIS WE BULLEED . PS/CHACELION SIR I SIKULAIR TILL SEE. TREASURY IR GIFFARD ER LITTLE ER VEIGHT SIR R APESTON IEL ADES SIR E PALLISSA LORD & G LERROX CASINET MR WADE-GERY LORD BRIDGES OFFICE IR FULLER SAPU/DIO ER URE · DIO. ER SILLIONS H5/PESD (2) 402-8 TOTAL COUNTY OF THE RD/S AM D Har deft Mus. Dickson, D/ HD/HETS DEPT HD/320 ED/ECD(E) HO/UND ___Hd/SED HD/PLANNING STAFF ER ARTHORY VILLIANS TOVANCE COPY [Passed to E.R.] EXERGENCY ROOM RESIDENT CLERK CONFIDERTIAL FM MADRID 2815337 MAY 82 TO PRIORITY FCO TELEGRAM RUNBER 303 OF 28 KAY INFO UKMIS NEW YORK WASHINGTON UKDEL NATO GOVERNOR GIBRALTAR (PERSONAL) MOD UKKIS NEW YORK TELNO 8571 FALKLAND ISLANDS

THE SPANISH FOREIGN MINISTER INVITED ME TO CALL LAST NIGHT FOR ANOTHER LONG AND FRANK TALK. HE AGAIN REMINDED ME THAT THE AVERAGE SPANIARD UNCRITICALLY ACCEPTED THE ARGENTINE CASE FOR HISTORICAL REASONS AND BECAUSE OF GIBRALTAR. THIS PRESENTED AN IMMENSE POLITICAL PROBLEM FOR THE SPANISH GOVERNMENT, NOW GRAVELY WEAKENED BY THE RESULT OF THE ANDALUSIAN ELECTIONS (MY TELMO 300). ON THE OTHER HAND, EDUCATED OPINION WAS VERY CONSCIOUS OF THE LINKS WITH DEMOCRATIC BRITAIN, SHORTLY TO BE AN ALLY AND PARTNER. THIS SCHOOL OF THOUGHT, TO WHICH HE HEKSELF BELONGED, SHARED THE ARGENTINE VIEW ABOUT SOVEREIGNTY OVER THE FALKLANDS BUT DEPLORED THE ARGENTINE INVASION. HE

WITHIN THE COVERNMENT AND WITHIN HIS OWN MINISTRY, WHICH
HE WAS TRYING TO RESIST. (I BELIEVE THIS TO BE TRUE, IT IS ALCO
THE OPIDION OF MY AMERICAN COLLEAGUE AND MY BEST INFORMED
COLLEAGUES FROM COMMUNITY COUNTRIES.)

THE RESERVE OF THE PERSON OF T

PEREX-LLORGA SAID WE WOULD HAVE NOTED THAT MY PERSONAL REPRESENTATIONS TO HIM ON MAY 22 ABOUT ACTION IN THE SECURITY COUNCIL (MY TELMO 295) HAD NOT BEEN WITHOUT EFFECT. THE SPANISH REPRESENTATIVE HAD BEEN FIRMLY INSTRUCTED (SEE UKMIS NEW YORK TELMO 221) NOT TO GO FURTHER THAN THEIR PREVIOUS POSITION.

SUBSEQUENTLY HE HAD GONE ALONG WITH SCR 505 IN SPITE OF ITS TRIPLE REFERENCES TO RESCLUTION 502 ON WHICH SPAIN HAD ABSTAINED.

DE PINIES IN EXPLANATION OF VOTE (UKMIS NEW YORK TELMO 856) HAD SAID THE MIGHEUM IN EXPRESSING THE SPANISH VIEW THAT THE DRAFT DID NOT GO FAR ENOUGH.

3. Paragraph seleved and retained under Section 3(4). Openayland, 19 April 2012

4. PEREZ-LLORCA THEN RATHER TENTALIVELY MENTIONED THAT ONE OF THE THINGS HE HAD DISCUSSED IN WASHINGTON WITH THE AMERICAN SECRETARY OF STATE WAS THE POSSIBILITY THAT THE SPANISH GOVERNMENT MIGHT ASSIST IN AN INTERNATIONAL ADMINISTRATION FOR THE FALKLAND ISLANDS, IF THIS COULD EVENTUALLY BE SET-UP, UN OBSERVERS TO MONITER COMPLIANCE WITH THE TERMS OF THE CEASE-FIRE WERE MENTIONED IN SCR 585. HE WANTED HE TO KHOW, ON A PERSONAL AND CONFIDENTIAL BASIS. THAT THE SPANISH GOVERNMENT REMAINED WILLING TO HELP IN ANY MUTUALLY ACCEPTABLE MANNER, THOUGH THEY WOULD NOT WISH TO PUSH THEMSELVES FORWARD PUBLICLY. WITH DISARHING FRANKNESS. PEREZ-LLORCA ADDED THAT THIS WOULD ACCORD WITH THE SPANISH NATIONAL CHARACTERISTICS OF PRIDE AND SELF-IMPORTANCE. THE GOVERNMENT WERE UNDER PRESSURE TO DO SOMETHING. (TODAY'S PRESS REPORTS THE SECRETARY GENERAL OF THE COMMUNIST PARTY AS SUGBESTING THAT SPAIN SHOULD SUPPLY FORCES TO HELP GUARANTEE THE SECURITY OF THE FALKLANDS). I WAS HATURALLY NOW COMMITTAL DU THIS POINT, THOUGH I PROMISED TO REPORT PEREZ-LLORGA'S SUGGESTION. I DID INDICATE THAT SPAIN. ALTHOUGH AN IMMINERT MEMBER OF NATO, COULD HARDLY BE REGARDED IN ERITISH EYES EVEN AS DECITRAL, IN VIEW OF HER DECLARED SUPPORT FOR THE ARGENTINE POSITION ON SOVERIEGRITY AND SO-CALLED "DECCLORISATION". (IF THIS IDEA DOES NOT CONMEND ITSELF TO YOU, I RECOMMEND THAT YOU JUST LET IT LAPSE RATHER THAN SEND A DIRECT

5. FIRSLLY, I TOOK THE OFPORTURITY TO EXPRESS TO THE FOREIGN

FIRSTER MY STECHE DISAPPROVAL OF THE GROSS BIAS OF SPANISH

TELEVISION. THIS COULD SERIOUSLY JEOPARDISE PUBLIC ORDER

AND BRITISH TOURISM. THE MINISTER SAID THAT ROBLES PIQUER,

ALTHOUGH PREVIOUSLY HIS SECRETARY OF STATE IN THE FOREIGN MINISTRY,

WAS NOT ENTIRELY EASY TO CONTROL. HE WAS LORKING FOR HIS

BROTHER-IN-LAW FRAGA'S POPULAR ALLIANCE PARTY AND, IN ANY CASE

FOUND HIS OWN OUTFIT ALMOST UNCONTROLLABLE, NEVERTHELESS

HE WOULD PERSONALLY TAKE UF WITH ROBLES PIQUER THE POINT I

HAD RAISED ABOUT TELEVISION, WITH WHICH HE AGREED.

6. SEE MIFTS.

PARSONS

MILLIN.

CCH PATA 5 LINE 6 SHOULD READ "HE WAS WORKING"

SEUT AT 29/17442 RSP

GRS 400 SECRET FN LINA 281600Z MAY 82 TO IMMEDIATE FCO TELESRAM NUMBER 203 DF 28 KAY

AND TO IMPEDIATE WASHINGTON

The state of

dis

MY TELUD 205: FALKLANDS/ARKS SUPPLIES

1. IN THE LIGHT OF CONTINUINS INDICATIONS TO THE CONTRARY, THE UNSOLICITED DENIAL CONVEYED TO ME LAST RIGHT BY THE SECRETARY SENERAL OF THE PRESIDENCY SUSSESTS THAT PRESIDENT BELAUNDE IS NOT IN COMPLETE CONTROL OF THE ARMED FORCES, WHO MAY BE UNDERTAKING PRIVATE ENTERPRISE SUPPLIES TO ARBENTINA ON AN INCREASING SCALE.

2. IF IT IS PAPPENING WITH THE FRESIDENT'S KNOWLEDGE ADD/OR CONSERT, THIS MAY BE THE PRICE HE HAS RAD TO PAY FOLLOWING SOME SORT OF AN ULTIMATUM BY THE MILITARY. BUT IT MAY ALSO BE TAKING PLACE WITHOUT HIS FORMAL APPROVAL, PRECISELY IN ORDER TO ENABLE THE SOVERMENT TO CONTINUE TO MAKE ITS REPEATED PUBLIC DENIALS.

3. RECENT PARLIAMENTARY DEBATES HAVE MADE MUCH OF THE FACT THAT ANY MILITARY AID TO ARSENTINA WOULD FIRST HAVE TO BE APPROVED BY PRESIDENT AND CONGRESS SENICLN AND NEITHER THE FOREIGN MINISTER NOR THE PRESIDENT HAVE, IN THEIR MOST RECENT CONVERSATIONS WITH ME, ATTEMPTED TO CONCEAL THEIR PREDCCUPATION WITH THE INCREASING PRESSURES, MAINLY FROM THE MILITARY BUT ALSO FROM OTHER SECTORS OF POLITICAL OPINION WITHIN THE COUNTRY.

A. IN EITHER CASE, I BELIEVE PRESIDENT BELAUNDE WILL CONTINUE TO BE A MODERATING AND CONCILIATORY INFLUENCE EVEN WITH ARGENTINE (AND PERUVIAN) INTERESTS UPPERMOST IN MIND. ANY REGIME LIKELY TO SUCCEED PRESIDENT BELAUNDE'S GOVERNMENT AS A RESULT OF HIS OVERTHROW BY THE PERUVIAN ARMED FORCES WOULD BE SOUND TO ADOPT A MORE RADICAL POSTURE BOTH DOMESTICALLY AND INTERNATIONALLY.

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FALKLANDS SELECTIVE LIMITED RD/EMERGENCY URLT HD/S AN D ED/DEF D ED/PLLEKING BILLY BD/DKD KD/KENS D ED/EED HD/BCD (E) ED/PUSD DEP RO/PUED ED/RES D PS/MR HURD PS/MR OKETOW PS/LORD RELSTEAD PS/PUB HR BUILLED SIR I SINCLAIR MD GIPPARD MR WRIGHT IN GILLPORE ME THE BARRETT

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MIPTE FALKLANDS: BRAZILIAN GOVERNMENT'S VIEWS

1. BOLLOWING IS TRARSLATION OF TEXT REFERRED TO IN MIPT.

BEGINS THE BRAZILIAN GOVERNMENT IS SERIOUSLY CONCERNED AT THE ATTITUDE ADOPTED BY THE BRITISH GOVERNMENT IN PRESSING FORWARD TO A HILITARY SOLUTION WHICH WOULD IMPLY A HUNILIATING DEFEAT FOR

ARGENTINA.

THIS ATTITUDE CREATES A SITUATION WHICH AGGRAVATES, IN AN UNPREDICTABLE MANNER, THE DISASTROUS CONSEQUENCES OF THE CRISIS IN INTERNAL TERMS IN ARGENTINA AND IN ITS IMPLICATIONS FOR LATIN MIGRICA, FOR THE RELATIONS OF THE LATTER WITH THE UNITED STATES AND FOR THOSE WITH THE WESTERN MORLD. IN THESE COMPLTICHS,



THERE WILL INEVITABLY BE A SERIOUS DESTABILISATION OF THE ECONOMIC AND POLITICAL SITUATION IN ARGENTINA, PROBABLY ACCOMPANIED BY A RADICALISATION WHICH COULD AFFECT THE MOST VULNERABLE COUNTRIES IN THE RESION.

THE STATEMENTS OF DEFENCE MINISTER AMADEO FRUGOLI AND THE MESSAGE SENT BY PRESIDENT GALTIERI TO PRESIDENT REAGAN INDICATE THAT THE RISKS FLOWING FROM THE GROWING ARGENTINE PERCEPTION THAT ITS TRUE FRIENDS AND ALLIES ARE THE SOVIET UNION, CUBA AND MICARAGUA SHOULD NOT BE UNDER-ESTIMATED. WE HAVE REASONS, BASED ON INFORMATION RECEIVED FROM DUENOS AIRES, TO BELIEVE THAT THERE MAY ALREADY EXIST A DECISION OF THE JUNTA IN FAVOUR OF RAPPROACHEMENT WITH THE SOVIET UNION, IN THE EVEHT THAT THE CONFLICT, AS IT EVOLVES, CONTINUES TO PUSH THE ARGENTINES INTO A CORNER FROM THE POLITICAL AND MILITARY POINT OF VIEW

SUCH A PROBABILITY IS DIRECTLY CONTRARY TO THE PARTICULAR INTERESTS OF BRAZIL AND TO THE GENERAL INTERESTS OF THE WEST, WHICH INCLUDES GREAT BRITAIN HERSELF.

LIKEWISE, FROM THE BRITISH POINT OF VIEW IT SEEMS TO US THAT
THE DANGER EXISTS, IN THE EVERT OF ARGENTINE/SOVIET
MILITARY COLLABORATION (EVEN IF IT WERE RESTRICTED TO LOGISTIC
SUPPORT AND THE PROVISION OF EQUIPHENT) THAT THE CONFLICT
WILL CONTINUE — ALBEIT WITH LATENT KILITARY POSSIBILITIES—
EVEN IN THE HYPOTHESIS OF A TOTAL DEFEAT OF THE ARGENTINE
TROOPS ON THE ISLANDS. IN THIS EVENTUALITY, THE BRITISH WOULD
BE OBLIGED TO MAINTAIN PERMAHENTLY A COSTLY MILITARY
APPARATUS IN THE ARCHIPELAGO, WITH THE RISK OF EVENTUAL HUMAN
AND MATERIAL LOSSES, INCLUDING AMONG THE LOCAL CIVIL POPULATION.
THERE IS, MOREOVER, THE ADDITIONAL DANGER OF AN ESCALATION WITH
UTTERLY DISASTROUS RESULTS IN THE EVENT THAT THE UK DECIDES
TO RIPOSTE BY ATTACKING THE CONTINENTAL BASES OF THE ARGENTINE
AIR FORCE.

ALARMING THOUGH THEY MAY BE, SUCH HYPOTHESES ARE IN NO WAY EXAGGERATED, SINCE THEIR PRINCIPAL ELEMENTS HAVE ALREADY BEEN EXPLICITLY OR IMPLICITLY MENTIONED IN STATEMENTS BY THE HIGHST ARGENTINE AUTHORITIES.

THE BRAZILIAN GOERMENT HOPES, THEREFORE, THAT THE BRITISH GOVERNMENT, IN THE LIGHT OF THE VERY FAR-REACHING INTERESTS WHICH URITE US, WILL BE ABLE TO ACT WITH MECESSARY SPEED IN GROER TO AVOID SUCH A SITUATION CONING TO PASS, AND TO ADOPT A POLITICAL

UNITE US, WILL BE ABLE TO ACT WITH HECESSARY SPEED IN ORDER
TO AVOID SUCH A SITUATION CONTROL TO PASS, AND TO APOPT A POLITICAL
AND RECOTTATING STANCE WHICH WOULD PERMIT AN HONOURABLE AND
REASONABLE SOLUTION TO THE PRESENT CRISIS.

ENDS.

HARDING

MANH

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

CONFIDENTIAL

FROM TRIFOLI 29000012 HAY 82

TO IMMEDIATE FCO DESKEY 29090CZ

TELMO 150 OF 28 MAY YOUR TELNOS 127 AND 1301 LIBYA/ARGENTINA

- 1. . I SAW OBEID! THIS EVENING (28 FAY) AND HANDED HIM YOUR FESSAGE. HE HAD ALREADY RECEIVED THE TEXT FROM KUNEIRI.
- 2. EMPHASTIS THAT HE WAS SPEAKING FOR CADHAFT OBEID! HADE 3 MAIN POINTSE
- (A) THE LIBYAN FOSITION CHARGED SCLELY AS A RESULT OF US INTERVENTION OR EPITAIN'S LEMALE.
- (B) LIEVE HED NOT, WERE NOT AND WOULD NOT SUPPLY WEARONS TO ARGENTINA. LIEVA HAD NOT REPERT LET PURCHAGED EXOCAT.
- (C) THE DISAGREEMENT OVER THE FALKLAND ISLANDS ISSUE CHOCLD NOT BE ALLOWED TO AFFECT FILATERAL RELATIONS.
- 3 GREEN PUPEATERLY RETURNED TO THE SOLE OF THE UNITED STATES. FIXALL TRANSPORT

3 OBEIDI REPEATEDLY RETURNED TO THE ROLE OF THE UNITED STATES.
ERITAIN COMPLAINED ABOUT LIBYA'S SUPPORT FOR ARGENTINA OVER THE
FALKLANDS. BUT ERITAIN, LIKE THE OTHER MESTERN COUNTRIES HAD
FAILED TO RESPOND LAST YEAR TO LIBYA'S APPEAL FOR A STATEMENT
OF POSITION ON THE GULF OF SIRTE. LIBYA HAD THEREFORE
ASSUMED BRITISH SUPPORT FOR THE UNITED STATES. LIBYA CONSIDERED
AN AUGUO/AMERICAN ALLIANCE ASAINST A THIRD WORLD COUNTRY
TO BE A DARGEROUS DEVELOPMENT. NOR WAS LIBYA ALONG IN THIS
CONCERN NOR-ALIGNED OPINION, ALREADY DISTURBED BY THE
SINKING OF THE GENERAL BELGRAND OUTSIDE THE EXCLUSION ZONE, HAD
SIGNIFICANTLY HARDENED SINCE THE ANNOUNCEMENT OF AMERICAN ARIS
SUPPLIES TO BRITAIN. THIS HARDENING WOULD BE REFLECTED AT THE
31 MAY MAK MEETING.

4. LIBYA HAD REACHED HER NEW POSITION INDEPENDINFLY AND WAS NOT
INFLUELED BY SOVIET AND/OR CHEAN VIEWS. IT WAS A EPSITION

4. LIBVA HAD REACHED HER NEW POSITION INDEPENDANTLY AND WAS NOT INFLUENCED BY SOVIET AND/OR CUBAN VIEWS. IT WAS A FOSITION OF PRINCIPAL BUT ONE WHICH HE HOPED WOULD NOT BE ALLOWED TO AFFECT EILATERAL RELATIONS. BOTH STATES HAD TRIED HARD IN THE LAST YEAR TO IMPROVE RELATIONS THOUGH LIBVA HAD BEEN DISAPPOINTED AT THE PACE OF PROGRESS. THE HARBOURIAG OF LIBYAN DISSIDERTS IN LONDON, BRITISH SLOWNESS IN RESPONDING TO REQUESTS FOR ASSISTANCE IN THE DEFENCE FIELD AND THE ARSENCE OF ANY PRIME MINISTERIAL (SIC) RESPONSE OR ENCOURASEMENT TO LIBYAN EFFORTS HAD BEEN DISHEARTENING.

ARGENTINA. NONETHELESS THE TONE AND CONTENT OF THE PREL
STATEMENT WAS EGUND TO AFFECT EILATERAL RELATIONS. HE KNEW ERITAIN
WELL AND WOULD BE AWARE OF THE STRENGTH OF FEELING THERE AT PRESENT
A HUNDRED FAMILIES HAD LOST THEIR SONS. THE BRITISH PEOPLE WOULD
RESENT STATEMENTS DECLARING FULL SUPPORT FOR ARGENTINA AND CALLING
FOR SANCTIONS AGAINST BRITAIN. THE NEW LIBYAN POSITION HAD
COME AS A GREAT DISAPPOINTMENT IN VIEW OF THE RECENT PROGRESS
IN RELATIONS.

E. SEE MIFT.

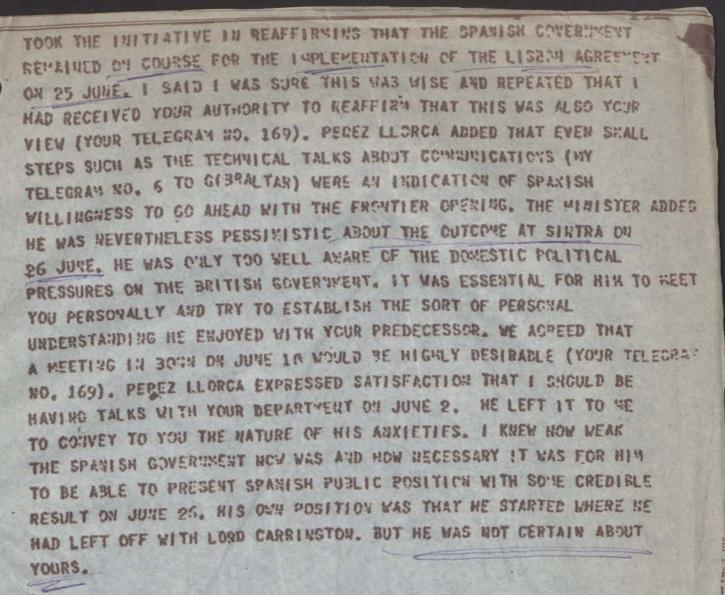
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MY 1.P.T. 'S , TALK WITH SPATISH FOREIGN MINISTER : GIBRALTAR

TOOK THE INITIATIVE IN REAFFIRMING THAT THE SPANISH COVERNMENT



THE THAT YOU HAD BEER GIVE'S TIME YET TO CONCENTRATE ON THE GIBRALTAR QUESTION, EXCEPT TO AGREE THAT IMPLEMENTATION SHOULD TAKE PLACE ON 25 JUNE. SPEAKING PERSONALLY (THOUGH IN FACT DRAWING ON THE HELPFUL TELELETTER OF 19 MAY FROM THE HEAD OF SED) I EXPRESSED THE VIEW THAT PEREZ LLORCA WAS RIGHT IN BELIEVING THAT HE SHOULD NOT EXPECT TOO MUCH FROM YOU IN ANY STATEMENT WHICH MIGHT COME OUT OF SINTRA, I THOUGH IT WOULD BE VERY HARD FOR YOU TO ACCEPT EXPLICITLY THAT WE WERE BOW WORKING TOWARDS SOME FORM OF NEW LEGAL INSTRUMENT WHICH WOULD CHANGE THE FUTURE STATUS OF GIBRALTAR, THIS VOULD BE A VERY ENOTIONAL CONCEPT FOR THE HOUSE OF COMMONS WHEN LIVES HAD BEEN LOST TO DEFEND THE PRINCIPLE THAT EVEN SMALL NUMBERS OF PEOPLE SHOULD HAVE A GENUINE SAY IN THEIR OWN FUTURE, IT SEEMED TO HE PERSONALLY THAT WE SHOULD NOT BE TOO AMBITIOUS AT STUTRA. THE SPANISH GOVERNMENT SHOULD PUT FORWARD THEIR IDEAS AND BRITAIN SHOULD EXPRESS A WILLINGHESS TO STUDY THEM, AS A MATTER OF SHEER COMMON SERSE, IT WOULD BE RECOGNISED THAT THESE IDEAS IERE BASICALLY RELATED TO OUR FUTURE POLITICAL RELATIONS OVER GIRALTAR, BUT THE LANGUAGE USED WOULD HAVE TO BE VERY CAREFULLY CHOSEN. HE SHOULD ALSO PROBLELY ESTABLISH SOME KIND OF CONTINUING MECHANISM FOR PURTHER STUDY AND THIS SHOULD BE SEEN BY PUBLIC OPINION AS A FORM OF PROGRESS. HOR DID I PULE OUT THE POSSIBLITY, PREVIOUSLY DISCUSSED, THAT THIS

NOR DID I ROLE OUT THE POSSIBILITY, PREVIOUSLY DISCUSSED, THAT THIS MACHINARY NIGHT TAKE THE FORM OF NORKING GROUPS TO INCLUDE, INTER ALIA, POLITICAL ISSUES AND DEFENCE COOPERATION. I STRESSED THE LATTER AS A POTENTIALLY CREATIVE AREA FOLLOWING SPANISH ENTRY 18TO NATO, BUT I KEPT OF EMPHASISING THE PROBLEM OF FINDING THE RIGHT WORDS WITH WHICH TO CLOTHE THESE IDEAS. IT MIGHT BE BEST TO ABANDON THE IDEA OF A FULL STATEMENT AND SETTLE FOR SOMETHING PRETTY SIMPLE, THIS MOULD NOT PREVENT BOTH MINISTERS FROM PAKING CLEAR PUBLICLY WHAT HAD BEEN ACHIEVED, AS IN A PREVIOUS CONVERSATION (MY TELMO 275) PEREZ-LLORGA DID NOT REJECT THIS SUGGESTION, AND AT NO POINT DID HE EXPLICITLY ENDORSE THE IDEAS PREVIOUSLY ADVANCED BY HIS OFFICIALS (MY TELMOS 160 AND 163).

3. IN MY ROLE, OF CAMDID FRIEND, I TOOK THE OPPORTUNITY TO REMIND THE FOREIGN MINISTER OF THE UMPLEASENT CONSEQUENCES, MORE FOR SPAIN THAN FOR BRITAIN, WHICH WOULD FOLLOW FROM ANY FAILURE TO STICK TO THE PRESENT POLICY OF IMPLEMENTING THE LISBON AGREEMENT ON JUNE 25 (SEE PARAGRAPH 7 OF MY TELELETTER OF 25 MAY TO HEAD OF SED). PEREZ-LLORGA SAID HE WAS ONLY TOO WELL AWARE OF THIS, BUT HE NEEDED AMBUNITION TO USE WITH HIS MINISTERIAL AND OFFICIAL GOLLEAGUES. IN PARTICULAR, HE WOULD HAVE TO BRIEF HIS PRIME MINISTER WHO WOULD BE BOUND TO MEET HAS THATCHER IN BOWN ON JUNE 10. COULD I FIRD SOME WAY OF INFORMING HIM PERSCHALLY ABOUT MY TALKS IN LONDON ON JUNE27 PERHAPS I COULD DO THIS THROUGH THE SPANISH AMBASSADOR IN LONDON (THIS DOES NOT (MOT) SEEN A GOOD IDEA. IT WOULD BE BETTER FOR YOU TO SEND A PERSONAL MESSAGE TO PEREZ-LLORGA IN ADVANCE OF JUNE 19.)

4. COMMENT. PEREZ-LLCRCA HAS EXPOSED HIS PREDICAMENT TO ME. IN A FRAUK IF ONE SIDED WAY, IT IS NO BAD THING THAT HE IS PESSIMISTIC ABOUT WHAT HE CAN HOPE TO ACHIEVE AT SINTRA. THIS HAS MADE HIM GENUINELY RERVOUS ABOUT THE IMPACT FOR THIS WEAK SPARISH GOVERNMENT, THE DANGER IS THAT, IF HIS PESSIMISM IS HEIGHTENED AT BONY (CALVO SOTELO IS ALREADY TENDING TO WOBSLE - MY TELHO 276) HE WILL BE UNABLE TO CARRY THE CABIRET WITH HIR IN PROCEEDING WITH THE JUST 25 OPERATION, MY HUNCH IS THAT HE IS NO LOYGER CONCENTRATING ON THE EXACT WORDING TO BE COTAINED AT STATEA, HE IS MUCH MORE INTERESTED IN ESTABLISHING SOME FORK OF PERSONAL UNDERSTANDING WITH YOU. THIS WOULD GIVE HIM THE COURAGE TO PRESS HIS COLLEAGUES TO GO AFEAD WITH BOTH NEGOTIATIONS AND THE HISTORICAL LANDWARK OF RE-OPENING THE FRONTIER, HE HAS CONSTANTLY ASKED ME ABOUT YOUR PERSONALITY AND POLITICAL VIEWS, WHICH INDICATES THE BACKGROUND TO HIS THINKING. THAT IS WHY I WOULD HOPE TO BISCUSS THE THE DEPARTMENT OF JUNE 9 THE BRAFF OF A POSSIBLE PERSONAL LET .

WITH THE DEPARTMENT ON JUNE O THE DRAFT OF A POSSIBLE PERSONAL WESTAGE FROM YOU TO HIM. YOU WOULD SURELY BE ON SAFE GROUND IN
INDICATIONS, WITHOUT DETAILS, A WILLIAMSES TO EMBARK OF A
GENUINE DEGOTIATION AS ERVISAGED AT LISTONY GIVEN THAT BOTH
GOVERNMENTS ARE COMMITTED TO SOLVING FOREIGN POLICY QUESTIONS
BY PEACEFUL REGOTIATION, AND THAT CALVO SOTELD HAS TACITLY ACCEPTED
THE PRIME MINISTER'S ADVICE THAT THE KEY TO THE SOLUTION OF THE
GIBRALTAR QUESTION LIES IN SPARISH WILLINGNESS TO TRY AT LAST
TO MAKE THEMSELVES ATTRACTIVE TO GIBRALTAR OPINION.

PARSONS

MEXIN

CON FIRST PARA 3 SHOULD SE PARA 2 K

SENT AT 28/1757Z RSP

Subject



Masker

10 DOWNING STREET

From the Principal Private Secretary

28 May 1982

Dear hur Fall,

CALL BY CARDINAL CASAROLI

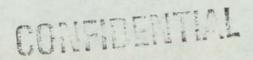
Your people told us this afternoon that Cardinal Casaroli, the Cardinal Secretary of State, had asked whether he could pay a courtesy call on the Prime Minister while the Pope was in London, and with her agreement he came here at 1840 this evening. He was accompanied by another prelate whom I am afraid we never identified.

The courtesy call in fact lasted 50 minutes and was devoted, at the Cardinal's initiative, very largely to the Falklands issue. He began by saying how grateful the Pope was for the suggestion of the British Government that Ministers should not be involved in his visit. This had done much to make it possible for him to come. He was very glad to be in Britain and he was delighted at the very warm and cordial welcome which virtually all parts of the community had extended to him in the course of the day. The Pope was looking forward enormously to his visit to Canterbury Cathedral which would be a historic event in every sense. His call upon The Queen had gone very well and they had had a long conversation. The Pope had asked him to convey his greetings to the Prime Minister and other members of the Government.

Cardinal Casaroli went on to say that the Holy Father was looking forward to the Special Session on Disarmament at the United Nations. He, the Cardinal, would deliver a message from the Pope to the Special Session on 11 June. But inevitably everybody was wondering whether it was useful to speak about disarmament when we could all see the difficulties which existed in the international community.

The Prime Minister said that she was very pleased indeed that the Pope had been able to go ahead with his visit to Britain. As for the Special Session on Disarmament, she understood why there must be doubts in people's minds at present about the value of such a meeting. But she felt that she had to attend. She would make a speech about the values we had to defend. She would explain why those values had to be defended. She would have to speak about her personal belief in freedom, justice and democracy. She hoped very much to be able to present her ideas in fresh and striking language.

/Cardinal Casaroli



Cardinal Casaroli said that the Pope had asked him to express to the Prime Minister some thoughts about the Falklands crisis. Holy Father understood very well the problem for Britain for finding a way out of the situation that was peaceful and, at the same time, respected the principles of justice and freedom. But the Pope's fear was that a situation like this could have very serious and dangerous consequences of a more general kind. He was deeply concerned that the outcome of the crisis could be the psycological, political military separation of the whole of Latin America from the Western World; and he saw the Western World not just as a political entity but even more as an ideological entity. He feared that the Soviet Union would take advantage of the situation to create a gap between Latin America and the West. The Pope was of course also desperately anxious about the loss of life in the South Atlantic. His hesitation about coming to Britain had not been concern with the possible Argentine reaction but how it would be viewed by the British people at a time when so many young lives were at risk and so many families were deeply worried. But the British Bishops had assured the Pope that his visit would be a joyful occasion and, so it was proving to be. Cardinal Casaroli said that the Pope hoped that the Prime Minister would do everything possible to reach a peaceful, just and honourable solution to the crisis. The honour of the country, the security of the Falkland Islanders and respect for international law were all valuable principles which the Pope well understood. But he also wondered whether other principles might be involved. He had heard it said that the Islands had a strategic importance in securing the passage from the Atlantic Ocean to the Pacific Ocean. But surely it would be better to have Latin America, and the Argentine in particular established in a good relationship to the Western World rather than to rely on the strategic position of the Falkland Islands. In short the Holy Father's message was that it would be a blessing for the United Kingdom, for the Argentine and the free world if it were possible to reach a just and honourable compromise and a peaceful solution. The Prime Minister said that the British Government had not wanted to send forces to the Falkland Islands. But we had been the victims of aggression. The Falkland Islands were British territory in law and the Islanders were British people. Some of them went back seven generations: they were a hard-working and God-fearing people. They led a life of their own choosing. They had lived in freedom, with democratic institutions and a just law. They did not want to live under Argentinian rule. Their peace had been shattered. these reasons Britain had had to defend her own people. If she had not done so, not only would she have failed the Islanders but other peoples, like Guyana and Belize when they have felt themselves threatened. Similarly, Gibraltar was British and the people of Gibraltar wished to remain British. The United Kingdom was not a colonial power. No other country had freely brought so many colonies to independence. We should like to bring the Falkland Islands to a secure independence too. /War was CONFIDENTIAL

- 3 -

War was a terrible evil, but there were worse things including the extinction of all that one believed in. We could not allow aggression to succeed. We could not bargain away the freedom, justice and democracy which the Falkland Islanders had enjoyed to the Argentine where these things were unknown. There could be no compromise on these matters, but she wanted to make it clear that we were not fighting the Argentine in Argentina. All we were saying to them was "Please go home and leave The Queen's people and The Queen's territory". She could not give away the Falkland Islanders' way of life. It was for her to defend it, and so to defend small and weak countries elsewhere. This was the essence of the British position: there was certainly a strategic factor but it was secondary. We had tried for seven weeks to find a diplomatic solution to the problem. We had been prepared to compromise: we had been ready to have a UN Administrator instead of a Governor and we had been prepared to accept the parallel withdrawal of forces. We had tried to find a solution that saved Argentinian face. We had done everything to stop the conflict. But the Argentines had not responded, and so we had been unsuccessful.

Cardinal Casaroli assured the Prime Minister that the Holy See was completely aware of all the reasons which underlay the British position. But the Holy Father remained worried about the general dangers which he had described earlier. The Holy Father asked the Prime Minister not to lose faith and courage. He was not asking the British Government to compromise on its principles but he prayed earnestly that they would take account of other principles which were no less important in the effort to find a peaceful solution. Similarly, the Pope hoped that the Argentine Government would realise that the best course for them lay in reaching an agreement.

The Prime Minister said that there could not be a compromise between right and wrong. The loss of lives in the South Atlantic was tragic, and every time there was a death she asked herself whether the British Government had taken the right course. But the answer was that we would not be enjoying freedom in Britain today if people had not died for it in the past. That was why we had to say to the aggressor enough. She repeated that Britain had done everything it possibly could for seven weeks to find a peaceful solution in which we were willing to compromise not on principles but on practicalities.

In response to a question by Cardinal Casaroli the Prime Minister said that there might be a possible role for the United States in guaranteeing the future security of the Falkland Islanders. As she had already said, it might be possible to bring the Falkland Islands to independence. This would mean that neither the United Kingdom nor the Argentine had sovereignty over the Islands. Moreover, such a development would be in accordance with Article 73 of the UN The Islands had a great deal of economic potential, and this could be developed provided there was no military threat. An international guarantee of the Islands security would be needed, and this might be provided by the United States, the United Kingdom, and possibly, Brazil. But this was all for the longer term and in the meantime we had to defend the liberty of British citizens. to emphasise, however, that when the present crisis was over, the United Kingdom would make every effort to hold out the hand of friend-ship to all countries of Latin America, including the Argentine. We did not want a victory: what we wanted was the recovery of British territory.

Brian Fall, Esq., Foreign and Commonwealth Office.

10 DOWNING STREET From the Principal Private Secretary 28 May 1982 Future of the Falklands This is to confirm the amendments to the draft telegram to Washington about the future of the Falklands which I passed by telephone to Robin Fearn this afternoon. Paragraph 5 The Prime Minister changed the last sentence to read "Accordingly, we are considering a future for the islands that provides either for their independence or for some modified form of independence". Paragraph 6 She would like the opening sentence of this paragraph to read "While recognising the difficulties we want to promote the economic development of the islands and would be prepared to consider this in co-operation with countries in the area." The rest of the sentence in the draft should be deleted. She made an addition to the second sentence so that it now reads ".... wool, kelp, and of course tourism." Paragraph 7 The Prime Minister amended the last sentence to "We are considering whether the presence of forces from several countries

The Prime Minister amended the last sentence to "We are considering whether the presence of forces from several countries (acting rather on the same lines as the Sinai MFO where we are helping the Americans) could be arranged to provide a guarantee of the security of the islands".

Paragraph 8 "Can" in the first sentence should be changed to "shall".

ME A WHEMORE

Brian Fall Esq Foreign and Commonwealth Office



Classification and Caveats Precedence/Deskby SECRET IMMEDIATE 1 ZCZC ZCZC 2 GRS GRS 3 SECRET CLASS 4 CAVEATS DESKBY 6 FM FCO 28 FM FCO Z MAY 1982 7 TO IMMEDIATE WASHINGTON PRE/ADD 8 TELEGRAM NUMBER TEL NO 9 REPEATED FOR INFORMATION IMMEDIATE UKMIS NEW YORK 10 YOUR TELEGRAM NUMBER 1921: FUTURE OF THE FALKLANDS The Prime Minister and I hope to have a substantial talk with 11 1. Reagan and Haig about the Falklands at the beginning of the 12 Versailles Summit (suggestions on the arrangements ar 13 Nº 1082 I would like you to go over the ground with Haig 14 15 both to prepare for this discussion and in order to respond to his 16 message to me. 17 2. You should begin by making clear that you are sharing with 18 him preliminary ideas which Ministers have been considering, that 19 we are consulting no-one else in this way and that he must do all 20 he can to ensure that our ideas do not leak. 21 3. As Haig knows, our starting point is our determination to 22 repossess the Islands followed by re-establishment of British 111 23 administration. Thereafter we shall wish to consider the future 24 development of the Falklands taking full account of the wishes of 25 the Islanders. We shall wish to create a secure

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this. environment for the peaceful future development of the islands. You can tell Haig that we understand the importance of other factors which give him serious concern, as they do to us. recognise that the United States has a more important relationship with Latin American countries than we do, but it is in our interests too to restore political relations with them and to avoid the Falklands crisis leaving scars on the relationship between the West and the Third World generally. also see the risk that a humiliated Argentina could turn under new leaders towards a closer relationship with the Soviet Union. Another important consideration is that Argentina with or without arms supplies from the Communist bloc could continue to mount or threaten to mount military strikes against the Falkland Islands after we had repossessed them, thus keeping the Islanders under threat and compelling Britain to maintain strong forces in the area possibly at the expense of other commitments eg to Nato.

- 4. We have to be realistic however about the likely attitude of Argentina. After all that has happened it is inconceivable that they can achieve what they want namely a transfer of sovereignty. Somehow or other they must be brought to accept that they made a serious miscalculation in attacking the Falkland Islands and breaking international law and that there must be a modification of their ambitions. This is clearly a very hard lesson for them to learn but the Americans are probably best placed to get it across, either with Galtieri or with his successors should he fall from power.
- 5. For our part we do not necessarily envisage returning absolutely to the status quo ante. We take seriously our obligations under Article 73 of the UN Charter to further the interests and well-being of the population of the Falklands and are willing to reduce the colonial appearances of their Government if that is what they want. We could contemplate

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a change in the status of the islands, provided that it was consistent with the wishes and interests of the Islanders and with the UN Charter. We also recognise that it will be in the long-term interests of the Islanders to have as harmonious and cooperative a relationship as possible with Argentina. Accordingly, we would be ready to consider the future for the islands that provided either for their independence or, perhaps more realistically, for some modified form of independence that would be consistent with the principles of chapter 11 of the UN Charter, perhaps incorporating ideas diverging from other chapters of the Charter.

6. While recognising the difficulties we would also like to Promote 14e | Pr this in cooperation with countries in the area including Argentina, if she can be brought to abandon her intentions to possess the islands for herself. There are possibilities in oil and gas exploration, fisheries, further development of sheep farming, wool and kelp, and of come tourism Security is of course the key to the future of the With some reliable form of international security islands. arrangement, in which it would be essential for the US to be involved and (as an assurance of the Islanders) for Britain also to play a part, neither the political nor the economic future of the islands would be certain enough to retain the present inhabitants or to attract investment: an insecure Falklands would be a permanent temptation irredentism in Argentina. We greatly welcomed Haig's offer of a US Battalion with perhaps a Brazilian one and it seems to us that some internationalisation of the security arrangements could be We would comidery helpful presentationally to the Argentines. certainly not rule out therefore the presence of and a

guarantee by Forces from the US and a number of other

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Page Classification and Caveats SECRET 4 40 present of fores for several countries 1 <<<< Whelter 1111 countries acting rather on the same lines as the Sinai MFO 2 where we are helping the Americans) could be an 3 Please discuss the foregoing with Haig and tell him that 4 we can refine the ideas in the light of his response. We would 5 6 of course be most interested to hear whether he has additional or alternative suggestions for a realistic arrangement, but 8 you should continue to leave him in no doubt about the political facts of life here, of where you are well aware. 9 You should stress that it is essential that the UK and the US 10 11 should cooperate closely in considering the future. 12 13 PYM 14 NNNN 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 111 31 32 33 34 NNNN ends Catchword BLANK telegram

Signed

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10 DOWNING STREET

From the Private Secretary

28 May 1982

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Lew John

FALKLAND ISLANDS: CALL ON THE PRIME MINISTER BY LORD SHACKLETON AND LORD BUXTON

The Prime Minister invited Lord Shackleton and Lord Buxton to call on her today, after she had read their contributions to recent Lords' debates on the Falkland Islands.

As a result of their discussion, the Prime Minister invited Lord Shackleton to up-date the Shackleton Report. She asked that this should be done as a matter of urgency. She told Lord Shackleton that the Government would meet the expenses of the task, and would provide whatever back-up was required. Ministers would also provide Lord Shackleton with several outline scenarios for the future of the Islands which would provide an essential background.

Lord Shackleton said that he knew that the members of his team were all available. He was himself within a few days of retiring from RTZ, and could therefore give whole-hearted attention to the project. He believed that much of the Report was still valid, but the international economic context would need up-dating. He would hope to stay in touch with Lord Buxton whilst the up-dating exercise was in progress.

In the course of the discussion, the Prime Minister made it clear that there could be no question of negotiating with Argentina over sovereignty, given the sacrifice of British life which had become necessary to enable Britain to re-possess the Islands. The Prime Minister said that she and her colleagues had started to consider the form of long-term arrangements. The status quo prior to the invasion could not return.

Lord Buxton and Lord Shackleton both emphasised that the development of the Islands had been seriously hampered by lack of confidence. The existing population had been able to make a respectable living from sheep, but there had not been a sufficiently secure prospect to attract the investment necessary to realise the Islands' potential. The Prime Minister said that future prospects might be built around the idea of working towards independence with some form of security guarantee. This would enable the Islands to

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retain their British character: it would avoid the pitfalls of UN trusteeship arrangements, and also help to give the lie to Latin American charges that Britain's interest was colonialist.

Lord Buxton emphasised that there would have to be some settlement with Argentina. Even if Argentina was defeated in the Falkland Islands, the issue was the one point of unity in a divided country. Any successor government to the Junta was likely to have a continuing interest in military adventures directed at the Falklands unless some agreement had been reached. But Argentina would be in need of economic and financial assistance. The Prime Minister suggested that the US might play a role here, and this could indeed be an important part in creating secure longer-term arrangements in the region.

Lord Shackleton stressed that the future military arrangements would be an important factor in establishing scenarios to be the basis of a re-working of his Report. The handling of garrison arrangements could be the making or breaking of the Islands. Too large a garrison would over-strain resources. Yet, handled in the right way, a garrison could make an important contribution to the infrastructure requirements for further development, in such areas as road building and even the necessary extension of the runway. Lord Buxton suggested that the cost of garrisoning could be lower than many assumed. It could be possible to release UK training land for agricultural purposes and rotate the garrison on the Falklands for exercises.

In discussion of the development potential of the Islands, Lord Shackleton argued the case for a special agency, perhaps modeled on the lines of the Highlands and Islands Development Board. The Prime Minister said that she was confident of a major boost for tourism once peace was re-established, provided suitable arrangements for easier access could be devised. The interest would cover both the recent history and the ecology of the area. Lord Buxton added that game fishing could be developed. Lord Shackleton stressed that Antarctic oil prospects were Argentina's real interest in the area. Wider questions of Antarctic development might prove to be a helpful part of longer-term arrangements for the region growing out of a cessation of hostilities. Lord Buxton referred to the recent interest of a US company in investing \$25 million on alginates. He was confident that this was not intended to be a front for Argentine investment. He added that the real importance of the Islands, including South Georgia, were their role as a gateway to Antarctica. Other countries wanted to co-operate with the UK. Uruguay and Brazil for instance did not wish to establish their own bases, but were keen to have a role in ours. In particular, they would like to be able to hire, for a fair price, a vessel like ENDURANCE for a period each year. This could make a survey vessel virtually self-supporting. Chile and Argentina on the other hand maintained their bases essentially for military reasons. The Russian interests were self-evident. They had one base right opposite Cape Horn, and another right opposite Cape Town.

In discussion of the wider political consequences of the current situation, Lord Buxton suggested that the effect of South American opinion could be exaggerated. Argentina was unpopular. Lord Shackleton

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- 3 -

referred to Rio Tinto Zinc discussions in Panama about a major copper project. The company had held back in view of the hostilities but had recently received a clear message from Panama that the Panamanians would be ready to resume discussions as soon as the immediate situation was resolved.

Winding up the discussion, the Prime Minister said that she would gratefully accept Lord Buxton's offer to produce his own report on future arrangements in the Islands. This would be complementary to the important exercise of up-dating the Shackleton Report. She hoped that Lord Buxton and Lord Shackleton would stay in contact whilst their separate reports were prepared. Over the coming weekend, she would consult her inner group of colleagues about her request to Lord Shackleton to revise his Report. She would arrange for some one to contact Lord Shackleton on her behalf very early next week, to settle administrative arrangements for re-assembling his team and providing the necessary support. He had offered to complete the work in a very few weeks. It might be reasonable to aim to start work on 7 June, by which time he could be provided with written terms of reference for the revision, including - on a confidential basis - outline scenarios for the future. She handed Lord Shackleton a copy of the Governor's recent report.

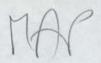
I am sending copies of this letter to the Private Secretaries to the members of OD(SA), and to the FCO Emergency Unit.

Yours ever Mike Pattisan

John Holmes, Esq., Foreign and Commonwealth Office.

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MR. COLES

By the time you see this, I hope to have mentioned to you on the telephone the Prime Minister's commission to Lord Shackleton to revise his Falklands Report.

I spoke to Robin Fenn about this today, so that the Emergency Unit could start thinking about the necessary arrangements. Shackleton reckoned that only a few days work was required. He spoke to me after the meeting with the Prime Minister, and I left him expecting to be contacted on Tuesday. It seems to me that a suitably senior figure needs to invite him to come in for a talk on Tuesday about admin, financial, and secretarial arrangements, and to undertake to get to him by 7 June terms of reference for the exercise.

Shackleton left the attached somewhat rambling piece of paper. He said that he was confident that he could get the key members of the original team - although one of them is in North Wales until the end of next week. He wanted at least one, and possibly two first class Civil Service secretaries "of No. 10 Private Secretary calibre". He would also need meeting facilities.

I think you will need to ensure that the Prime Minister briefs OD(SA) colleagues about this commission on Sunday or Tuesday. OD ought perhaps to approve the 'scenarios', which are given as part of the TORs. Shackleton has it in mind that these must cover the likely future status of the Falklands and the garrison arrangements, among other points.

Given the suspicions of the Falkland Islanders, and the UK Falklands lobby, of the FCO, there may be a case for finding the Shackleton team an office elsewhere - perhaps in the Cabinet Office. You might think that Michael Palliser would be the best person to talk to Shackleton about getting the details established. I suggest that it would be best for you to telephone Lord Shackleton on Tuesday,

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- 2 -

telling him who will invite him to come in for a talk. We need to ensure that there will be no haggling about picking up the tab, which will be essentially a matter of expenses for those who must take time off other occupations, and finding the necessary staff resources for an exercise lasting no more than two or three weeks.

M. A. PATTISON

28 May 1982

[PLEASE RETURN COPY TO TYPISTS]

FALKLANDS SELECTIVE ADVANCES (37)42

PS (6) PS/MR HURD ADVANCE COPY PS/MR ONSLOW PS/PUS PS/LORD BELSTEAD MR BULLARD SIR I SINCLAIR MR GIFFARD MR WRIGHT MR GILLMORE LASH MR URE MR BARRETT HD/S AM D HD/DEF D HD/PLANNING STAFF HD/UND HD/NEWS D HD/ERD HD/PUSD MR REED, PUSD EMERGENCY ROOM RESIDENT CLERK

PS/NO 10 DOWNING STREET (2 copies) PS/S OF S DEFENCE PS/HOME SECRETARY PS/HOME SECRETARY (c/o NO 10 DSt) PS/ATTORNEY GENERAL PS/CHANCELLOR DUCHY OF LANCASTER PS/SIR R ARMSTRONG PS/SIR M PALLISER PS/SIR A DUFF MR WADE-GERY CABINET MR FULLER OFFICE MR COLVIN 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 Room 8)

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FM_LIMA* 281530Z MAY 82

TO FLASH FCO

TELEGRAM NUMBER 207 OF 28 MAY

INFO IMMEDIATE WASHINGTON UKMIS NEW YORK BOGOTA BRASILIA

FALKLANDS: JOINT PROPOSALS: MY TELNO 206 (NOT TO ALL).

1. THE PRESIDENT HAS JUST TELEPHONED. HE BEGAN BY ASKING ME WHETHER I HAD ANY NEWS FROM LONDON. I GAVE HIM A BRIEF ACCOUNT OF THE POINTS MADE IN YOUR TELNO 109 TO BOGOTA AND EMPHASISED THE INSISTENCE ON. THE FULL IMPLEMENTATION OF RESOLUTION 502. THE PRESIDENT WENT ON TO SAY THAT HE HAD SPOKEN YESTERDAY TO PRESIDENT TURBAY AND THAT THEY HAD ELABORATED A FORMULA WHICH HE THOUGHT WOULD MEET THE TERMS OF RESOLUTION 502. THE PRESIDENT EMPHASISED THAT THE DETAILS HE WAS ABOUT TO GIVE ME WERE CONFIDENTIAL (IN THAT THEY WERE NOT TO SE GIVEN TO THE PRESS) AND THAT TURBAY HAD TOLD HIM THAT THE

2. THE FORMULA PROVIDES FOR THE WITHDRAWAL OF A FIRST CONTINGENT OF ARGENTINE FORCES WHICH WOULD THEN BE FOLLOWED BY AN EQUIVALENT CONTINGENT OF BRITASH FORCES. THE PRESIDENT SAID THAT PERU WAS PREPARED TO PELP IN ANY WAY POSSIBLE TO BRING SUCH AN AGREEMENT INTO OPERATION. HE THOUGHT THAT PERUVIAN AIR FORCE TRANSPORT AIRCRAFT COULD BE DESPATCHED TO COMODORO RIVADAVIA WHENCE THEY COULD TAKE PART IN THE EVACUATION OF ARGENTINE FORCES FROM THE FALKLANDS. THE PRESIDENT SAID THAT PERU WOULD ALSO BE DESPOSED, OF COURSE, TO TRANSPORT THE BRITISH CONTINGENT TO PUNTA ARENAS. (THE PRESIDENT REMINDED ME THAT THE CHILEAN AUTHORITIES WERE MAINTAL NING A NEUTRAL POSTURE IN THE DISPUTE). THESE ARRANGEMENTS WOULD AT LEAST AVOID THE PROSPECT OF A BITTER AND BLOCDY BATTLE WHICH WOULD LEAVE ALL THE FUNDAMENTAL PROBLEMS UNRESOLVED AND WHICH WOULD RESULT IN ANY CASE IN PROLONGUED AND LENGTHY NEGOTIATION ABOUT THE MAIN ISSUES. IT WAS THEREFORE IMPORTANT TO DO EVERYTHING POSSIBLE TO AVOID THE WASTE OF UP TO 2,000 LIVES IN SUCH A MANNER.

3. THE PRESIDENT EMPHASISED THAT HE HAD BEEN TOLD BY GALTIER!
THAT HE WAS QUOTE WELL DISPOSED UNQUOTE TOWARDS AN AGREEMENT ON
THIS BASIS AND THAT GALTIER! WAS AWARE THAT AN ARGENTINE CONTIGENT.
WOULD HAVE TO BE THE FIRST TO LEAVE. IN REPLY TO MY QUESTION,
THE PRESIDENT SAID THAT IF AGREEABLE TO BOTH SIDES THESE ARRANGE—
MENTS WOULD BE INCORPORATED WITHIN THE NEGOTIATIONS NOW BEING
CONDUCTED BY THE UN SECRETARY GENERAL WHO WOULD THEN HAVE A BASIS
FOR A CEASEFIRE AND A FRAMEWORK FOR THE ADMINISTRATIVE ARRANGEMENTS
NECESSARY TO AVOID A BATTLE IN THE FALKLANDS. THE PRESIDENT THOUGHT
THAT IN ORDER TO ENABLE THE SECRETARY GENERAL TO TAKE ADVANTAGE OF
THESE PROPOSALS WITHIN THE TERMS OF HIS LATEST MANDATE, THE
FORMULA WOULD HAVE TO BE AGREED BY SUNDAY AT THE LATEST.

4. THE PRESIDENT SAID THAT PERU WAS READY AND WILLING TO TAKE ANY PART ACCEPTABLE TO BOTH SIDES WHICH WOULD CONTRIBUTE TO A PROMPT AND PEACEFUL SOLUTION AND THAT TO THIS END HE HAD INSTRUCTED THE ' PERUVIAN AIR FORCE TO BE READY TO SEND HERCULES TRANSPORT AIRCRAFT TO COMODORO RIVADAVIA TO TAKE PART IN THE PROPOSED EVACUATION. PRESIDENT TURBAY HAD TOLD HIM THAT THE FOREIGN OFFICE WOULD BE COMMUNICATING WITH HM REPRESENTATIVES IN THE COUNTRIES CONCERNED AND WARNED ME TO EXPECT INSTRUCTIONS FROM YOU, POSSIBLE EVEN TODAY.

WALLACE

RINN



PRESS STATEMENT: 28TH MAY

The first thing I would say to you is that offensive land operations are at this moment in progress in the Falkland Islands. You will understand that I cannot at this stage go further.

We have had more reports on the events of yesterday. Harriers from the Task Force attacked Port Stanley airfield. They also conducted reconnaissance sorties in support of our ground forces. In the course of these operations one of our RAF Harriers was shot down by Argentine ground fire. The pilot was seen to eject over territory held by Argentine forces. Next of kin have been informed.

Also during yesterday Argentine Mirage and Skyhawk aircraft attacked our forces in the San Carlos area. Two Skyhawk were shot down.

PRESS STATEMENT: 28TH MAY

I would like to put the record straight on the use of UGANDA, one of our hospital ships.

Argentina has claimed that the UGANDA was present in the Falkland Sound during operational activity there implying that she took part in that activity. This is a serious charge which if it were true would involve a fundamental breach of the Geneva Convention.

At no time has UGANDA been used in support of military operations. She is acting and will continue to act as a hospital ship strictly in accordance with the requirements of the Geneva Conventions.

She entered Middle Bay of East Falklands for 30 minutes on the 27th May to take on board a number of severely wounded casualties. Immediately these were embarked she left the Bay carrying both British and Argentinian casualties.

The International Red Cross is of course free to inspect the UGANDA or any other of our hospital ships at any time. We would be pleased if they did so.

CHET FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION): 0700 28 MAY 1982 United Nations A UKmis New Sir A Parsons saw the UN Secretary General on 27 May in York tel no private to deliver the Foreign and Commonwealth Secretary's 874 message in response to the Secretary General's request for a B FOO tel no definition of satisfactory terms for a ceasefire. Perez de 1941 Cuellar had previously been telephoned by Haig and encouraged not to give up his efforts. Sir A Parsons stressed that we were not trying to buy time; he raised orally the possibility of visits to Buenos Aires and London. Perez de Cuellar was non-committal, but said that if he did decide on such a course he would make the visits himself rather than send an emissary. He thought the next step would be for him to see Costa Mendez on 28 May in New York or Washington. Perez de Cuellar gave his personal view (to be protected even from Haig) that Costa Mendez and his team in the Foreign Ministry were inflexible. He undertook to pass on any substantive comments from the Argentine side. Organisation of American States C Washington 3. The OAS meeting began in Washington on 27 May. tel no 1941 were venomous attacks on US support for the UK led by Argentina, joined by Venezuela, Nicaragua, Guatemala and Panama. were attacks on the UK based on familiar clichés about ''colonialism''. Haig made a determined and detailed speech which flired with even-handedness, but eventually came out contrasting the reasonable UK attitude with Argentina's rejection out of hand of proposals for a solution. Three draft resolutions were tabled and will be discussed in closed session on 28 May. Harmless proposals by Colombia and Costa Rica will be pitted against an Argentine draft calling on the US to cease its support for the UK and urging members to take appropriate but unspecified steps within the Rio Treaty framework to help Argentina resist British "aggression". The Embassy in Washington say that a hysteria is building up which could allow the adoption of a sharply hostile resolution but Brazil and Mexico have yet to speak and Argentina could run into stronger resistance in the closed session. Initiative by Colombia/Brazil/Peru The proposal put forward by the President of Colombia, D Lima tel allegedly on behalf of Colombia, Brazil and Peru has been given no 205 some further backing by Peru, but the Brazilians have indicated E Brasilia that they had no hand in drafting it and are highly sceptical tel no 214 about its prospects. /Comment SECRET

Comment

- 7. No immediate decisions are required on overnight developments in New York or Washington.
- 8. We appear so far to be retaining the UN Secretary-General's sympathy and his decision to seek the Argentine reaction personally from Costa Mendez in Washington has reduced the prospect of the issue being returned to the Security Council at the weekend. It looks, however, as if the Secretary-General will undertake visits to Buenos Aires and London only with the greatest reluctance or with some prior evidence of a change in positions.
- 9. It is too early to judge how matters will go at the Rio Treaty meeting. Although the first day was not encouraging, alternative moderate resolutions are being advanced and it remains to be seen to what extent the rhetoric will be translated into action. Much may depend on military developments and on the outcome of the Secretary-General's new mission.

P R Fearn Emergency Unit

28 May 1982

NYFO 33/27 GO FCO GR 798 SECRET FM UKMIS NEW YORK 272215Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 874 OF 27 MAY INFO IMMEDIATE WASHINGTON YOUR TELEGRAM NO 475: FALKLANDS: SECRETARY-GENERAL'S MANDATE 1. I SAW THE SECRETARY-GENERAL AT 2000Z TODAY, 27 MAY. I ASKED TO SEE HIM ALONE BEFORE WE MOVED TO THE PLENARY SESSION. 2. PEREZ DE CUELLAR TOLD ME THAT HAIG HAD TELEPHONED HIM ABOUT PULE AN HOUR PREVIOUSLY. HAIG HAD SAID THAT COSTA MENDEZ HAD EELIVERED A VERY TOUGH STATEMENT AT THE CAS MEETING, HAIG HOPED THAT THE SECRETARY-GENERAL WOULD NOT THROW IN HIS HAND. HE HAD REASON TO BELIEVE THAT I WOULD HAVE ENCOURAGING NEWS FOR HIM FROM THE BRITISH GOVERNMENT, PEREZ DE CUELLAR HAD REPLIED THAT HE WAS GLAD TO HEAR IT: HE WOULD NOT RUSH PREMATURELY TO THE SECURITY COUNCIL. 3. I SAID THAT I WOULD SHORTLY BE GIVING HIM A MESSAGE FROM YOU IN WRITING. I THOUGHT THAT HE WOULD FIND A GLIMKER OF LIGHT IN IT THAT HAD NOT BEEN APPARENT IN MY STATEMENT IN THE COUNCIL ON 26 MAY IN EXPLANATION OF YOTE, I SAID THAT HE MUST BELIEVE ME WHEN I SAID THAT WE WERE NOT USING HIM TO BUY TIME WITH OUR MILITARY DISPOSITIONS IN MIND. IF THE SECURITY COUNCIL WAS RECALLED TOMORROW OR THE NEXT DAY AND AN UNACCEPTABLE RESOLUTION WAS THELED, I WOULD DO WHAT I HAD TO DO: I WOULD DO THE SAME IF THE COUNCIL MEETING WAS FOLLOWED BY A CENTRAL ISCEMPLY. ANY DIFFERENCE TO WASHAFFEEDING ON THE OFCUME, WELLES, THE SECUPLTY COUNCIL KET IN A COUPLE OF DAYS! TIME OF

CHERCALTICUS IN MIND. IF THE SECURITY COUNCIL WAS PROALLED TOWNSON OF THE NEXT DAY AND AN UNASCEPTABLE RESOLUTION WAS TABLES, I WOULD DO WEAT I HAD TO DO: I WOULD DO THE SAME IF THE COUNCIL MEETING WAS FOLLOWED BY A GENERAL ASSEMBLY. NOWE OF THIS YOUR AND THE SECURITY COUNCIL MET IN A COUPLE OF DAYS! TIME OR IN A WEEK. THE SECURITY COUNCIL MET IN A COUPLE OF DAYS! TIME OR IN A WEEK. TIME WOULD NOT AFFECT THE MILITARY SITUATION. OUR POSITION WAS THAT WE WANTED TO DO EVERYTHING WE COULD TO ENABLE HIS MISSION TO SUCCESS MED TO GIVE HIM ALL THE TIME AVAILABLE TO HIM TO PROVE TO HIS OWN SATISFACTION WHETHER OR NOT SUCCESS WAS POSSIBLE. WHATEVER THE ABGENTIME REPLY WAS TONIGHT, MY GOVERNMENT WOULD WANT TO STUDY IT CAREFULLY.

- 4. PEREZ DE CUELLAR ACCEPTED ALL THIS WELL. I THEN GAVE HIM YOUR MESSAGE (MINUS THE PENULTIMATE PARAGRAPH WHICH I DECIDED TO TRANSMIT CRALLY FOR IMPORTANT TACTICAL REASONS). PEREZ DE CUELLAR READ THE MESSAGE CAREFULLY AND FOCUSSED POSITIVELY ON THE LAST PARAGRAPH.
- 5. I THEN MADE THE POINT ABOUT HIS POSSIBLY VISITING BUENOS AIRES AND LONDON OR SENDING AN EMISSARY. HE SAID THAT, IF HE DECIDED TO PURSUE THIS, HE WOULD DEFINITELY GO HIMSELF: "I CANNOT RELY ON THE IMPARTIALITY OF ANY OF MY FALKLANDS TEAM".
 BUT HE WAS A LOW-KEY MAN AND HATED AROUSING EXAGGERATED EXPECTATIONS. HE WOULD SEE HOW THINGS WENT IN THE NEXT DAY OR SO.
- FOR HE THEN SAID THAT HE THOUGHT THE NEXT STEP WAS FOR HIM TO SPEAK PERSONALLY TO COSTA MENDEZ TOMORROW (FRIDAY) EITHER IN WASHINGTON OR IN NEW YORK. WHEN LISTRE CALLED ON HIM THIS EVENING HE WOULD FOR HIM OFF BY SAYING THAT HE WOULD BE IN PERSONAL CONTACT WITH HIS FOREIGN MINISTER: HE DOUBTED WHETHER LISTRE WOULD HAVE ANYTHING TO SAY.
- PROTECT EVEN FROM HAIG) THAT HE HAD BEGUN TO FORM THE OPINION THAT, ALTHOUGH THE ARGENTINE MILITARY WERE EXTREMELY DIFFICULT TO DEAL WITH, COSTA MENDEZ AND HIS FOREIGN MINISTRY TEAM WERE ACTUALLY MORE HARD LINE, INSPITE OF THEIR CIVILISED AND APPARENTLY FLEXIBLE MANNER. (HE HAD BEEN IMPRESSED BY THE REASONABLENESS OF OUR FINAL POSITION OF 17 MAY AND SHOCKED BY THE ARGENTINE RESPONSE FOR WHICH HE BELIEVED COSTA MENDEZ RESPONSIBLE. HE HAD TOLD COSTA MENDEZ THIS WHEN HE HAD ARRIVED IN NEW YORK). HE WOULD BEAR THIS THOUGHT IN MIND IN SPEAKING TO COST; MENDEZ. HE WOULD NOT OF COURSE LET HIM SEE YOUR MESSAGE, BUT WOULD TOUCH ON ALL THE POINTS IN IT AND SEE HOW COSTA MENDEZ REACTED.
- E. PEREZ DE CUELLAR SAID TRAT HE WOULD LET ME KNOW THIS EVENING OR TOMORROW (FRIDAY) MORNING IF LISTRE HAD SAID ANYTHING OF IMPORTANCE, AND IF, AND WHEN AND MEST HE MORE SEE TO THE TEST

FE FLOATED VOWED BE THE LOST THREE COSTS, VEHICLE OF SERVICES OF ALLEY TO

* THIS WHEN HE HAD ARRIVED IN HER YORAJ. HE ROOLD SEAR THIS INCOME IN WIND IN SPEAKING TO COSTA MENDEZ, HE WOULD NOT OF COURSE LET HIM SEE YOUR MESSAGE, BUT WOULD TOUCH ON ALL THE POINTS IN IT AND FOW COSTA MENDEZ REACTED. . B. PEREZ DE CUELLAR SAID THAT HE WOULD LET ME KNOW THIS EVENING CR TO CREON (FRIDAY) MORNING IF LISTRE HAD SAID ANYTHING OF IMPORTANCE, AND IF AND WHEN AND WHERE HE WOULD BE SEEING COSTA MENDEZ. HE ASSURED ME THAT THE LAST THING HE WOULD SUGGEST OR ALLOW TO BE FLOATED WOULD BE THE IDEA OF COSTA MENDEZ AND YOURSELF BEING IN NEW YORK TOGETHER, SHUTTLING BACKWARDS AND FORWARDS BETWEEN HIM. THIS WOULD BE ABSOLUTELY WRONG. 9. DEFORE WE MOVED TO THE PLENARY. PEREZ DE CUELLAR SAID THAT, ALTHOUGH HE TRUSTED HIS STAFF TO KEEP YOUR WRITTEN MESSAGE CONFIDENTIAL, HE COULD NOT RELY ON THEIR REACTIONS ON OTHER HATTERS. HE WOULD NOT THEREFORE MENTION TO THEM THAT HE WAS PLANNING TO SEE COSTA MENDEZ PERSONALLY, OR THAT I HAD RAISED THE POSSIBILITY OF HIS GOING TO BUENOS AIRES AND LONDON. 18. THE SUBSEQUENT PLENARY MEETING WAS A FORMALITY AT WHICH I DREW THE ATTENTION OF HIS STAFF TO THE YARIOUS POINTS IN YOUR MESSAGE. WE CONCLUDED BY AGREEING THAT I WOULD SAY TO THE PRESS ON DEPARTURE THAT I HAD TRANSMITTED TO HIM A NUMBER OF VIEWS OF THE BRITISH GOVERNMENT AND THAT WE WERE STILL IN BUSINESS. 11. SC. FAR, SO GOOD. PARSONS MANE

28 MAY 1982 (13)

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FM FCO 271524Z MAY 82

TO FLASH UKMIS NEW YORK

TELEGRAM NUMBER 475 OF 27 MAY

AND TO INMEDIATE WASHINGTON

YOUR TELNO 868 AND PARA 4 OF WASHINGTON TELNO 1915

FALKLANDS: SECRETARY GENERAL'S NEW MANDATE

1. PLEASE DELIVER THE FOLLOWING REPLY FROM ME TO THE SECRETARY GENERAL'S QUESTION IN PARA 3 OF YOUR TUR OR IF YOU PREFER, SPEAK FROM IT. YOU SHOULD KEEP IN MIND IN YOUR DISCUSSION WITH THE SYG THAT IT IS AS MUCH IN OUR OWN INTEREST AS IN HAIG'S TO SPIN OUT THE SECRETARY GENERAL'S PRESENT EFFORTS.

BEGINS:

I AM GLAD THAT YOU ARE UNDERTAKING RENEWED EFFORTS FOR A
PEACEFUL SETTLEMENT TO THE PRESENT CRISIS. YOU CAN BE ASSURED
THAT THE ERITISH GOVERNMENT WILL COOPERATE FULLY
IN YOUR EFFORTS.

AS YOU KNOW BETTER THAN ANYONE, SEVERAL MAJOR ATTEMPTS HAVE BEEN MADE FOR A PEACEFUL END TO THE CRISIS. THE UK ACCEPTED THE PROVISIONS OF SECURITY COUNCIL RESOLUTION 502, WHICH REMAINS THE BASIS OF BRITISH POLICY, AND HAS PARTICIPATED CONSTRUCTIVELY AND ACTIVELY IN THE EFFORTS FOR A SETTLEMENT. ARGENTINA, BY CONTRAST, HAS REFUSED TO IMPLEMENT RESOLUTION 502 AND HAS TURNED DOWN SUCCESSIVE PROPOSALS BY THE US SECRETARY OF STATE, THE PRESIDENT OF PERU IN CONSULTATION WITH THE US AND THEN BY YOURSELF AFTER YOUR COURAGEOUS FIRST ATTEMPT TO END THE CRISIS.

YOU HAVE ASKED ABOUT THE BRITISH GOVERNMENT'S DEFINITION OF ACCEPTABLE TERMS FOR A CHASEFIRE. IN OUR VIEW, A CHASEFIRE WHICH WAS NOT LINKED INSEPARABLY TO ARGENTINE WITHDRAWAL WOULD IVE ARGENTINA ANOTHER OPPORTUNITY FOR PROCRASTINATION THROUGH INTRANSIGENCE. THE BRITISH ANSWER TO YOUR QUESTION IS THEREFORE THAT A CHASEFIRE IS HIGHLY DESIRABLE AND WOULD BE

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ACCEPTABLE

ACCEPTABLE IF IT WAS INSEPARABLY LINKED TO THE CONHENCEMENT OF ARGENTINE WITHDRAWAL AND THE COMPLETION, OF THAT WITHDRAWAL WITHIN A FIXED PERICD.

ONE REASON FOR THIS BRITISH VIEW IS ARGENTINA'S RECORD OF DELIBERATE DELAY AND INFLEXIBILITY IN NEGOTIATIONS. CHANGE OF POSITION BY ARGENTINA INVOLVING WILLINGNESS TO THANSFORM THE SITUATION . IT WOULD BE HOST ENCOURAGING IF IN YOUR RESULTED EFFORTS FOR PEACE UNDER THE MANDATE OF SECURITY COUNCIL RESOLUTION 505, YOU COULD GETAIN FROM ARGENTINA CONVINCING EVIDENCE OF SUCH A CHANGE. ARGENTINA'S INMEDIATE RESPONSE TO YOUR QUESTION YESTERDAY MAY NOT DO THIS, IN WHICH CASE I HOPE WOULD GO BACK TO THEM ON THE POINT.

> IF YOU DECIDED TO VISIT BUENOS AIRES OR SEND AN EMISSARY THERE, A VISIT TO LONDON, PERHAPS INMEDIATELY AFTERWARDS, MOULD BE WOST MELCOME TO THE BRITISH GOVERNMENT. I SHOULD LIKE TO SHARE WITH YOU SOME IDEAS ABOUT THE FUTURE IN THE LONG TERM.

THE UNITED KINGDOM'S POLICY WITH REGARD TO THE FALKLAND ISLANDS IS BASED ON OUR DESIRE TO IMPLEMENT ARTICLE 73 OF THE UNITED MATIONS CHARTER. THAT OF COURSE REQUIRES THE MAINTENANCE OF THE SECURITY OF THE ISLANDS, SO THAT THE PEOPLE'S INTERESTS AND THEIR WELL BEING CAN BE SAFEGUARDED. GIVEN ARGENTINA'S INVASION, THE FUTURE SECURITY OF THE ISLANDS CAN BE ENSURED ONLY BY A CONTIN-UED BRITISH MILITARY PRESENCE OR PERHAPS BY NEW INTERNATIONAL SECURITY ARRANGEMENTS. IN THE VIEW OF THE BRITISH GOVERNMENT, SUCH ARRANGEMENTS WOULD REQUIRE THE PARTICIPATION OF THE UNITED , IF SUCH ARRANGEMENTS COULD BE DEVISED, THE QUESTION OF BRITISH MILITARY WITHDRAWAL FROM THE ISLANDS COULD BE SEEN IN A NEW LIGHT. ENDS. -

WASHINGTON: PLEASE DELIVER A COPY OF THE ABOVE TO HAIG.

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GR 950 CONFIDENTIAL ESKBY 286490Z FM WASHINGTON 280320Z MAY 82 TO IMMEDIATE FCO TELEGRAM NUMBER 1941 OF 27 MAY INFO IMMEDIATE UKMIS NEW YORK, OAS POSTS. 2.70 THE POPUL FALKLANDS: RIO TREATY SUMMARY 1. THE RIO TREATY MEETING TODAY 27 MAY WAS CHARACTERIZED BY A SERIES OF VENOMOUS ATTACKS ON AMERICAN SUPPORT FOR THE UK. LED BY ARGENTINA, A DISPARATE CLAQUE INCLUDING VENEZUELA, NICARAGUA, GUATAMALA AND PANAMA CONDEMNED THE US FOR TREACHERY TOWARDS ITS HEMISPHERIC PARTNERS AND FOR IGNORING THE LETTER AND SPIRIT OF THE RIO TREATY, ATTACKS ON THE UK COMPRISED TIRED REITERATIONS OF EXISTING RHETORIC. 2. HAIG MADE A DETERMINED AND DETAILED SPEECH, GREETED IN SILENCE, WHICH CENTRED ON THE NEED NOT TO ALLOW THE VALUABLE INTER-AMERICAN MECHANISMS TO BE DESTROYED BY THE PRESENT CRISIS. 3. THREE DRAFT RESOLUTIONS WERE TABLED AND WILL BE DISCUSSED IN CLOSED SESSION TOMORROW, 28 MAY, WHEN HARMLESS COLOMBIA AND COSTA RICAN PROPOSALS WILL BE PITTED AGAINST AN ARGENTINE DRAFT CALLING ON THE US TO CEASE ITS SUPPORT FOR THE UK AND URGING MEMBERS TO TAKE APPROPRIATE IF UNSPECIFIED STEPS WITHIN THE RIO TREATY FRAMEWORK TO HELP ARGENTINA RESIST BRITISH QUOTE AGGRESSION UNQUOTE. DETAIL 4. COSTA MENDEZ SET THE TONE WITH AN INTEMPERATE ONSLAUGHT AGAINST THE US WHICH HAD FAILED IN ITS DUTY TO JOIN WITH ITS HEMISPHERIC NEIGHBOURS AGAINST ON EXTERNAL THREAT. HE URGED ARGETINA'S TRUE FRIENDS TO UNITE IN SOLIDARITY AGAINST THE UK, WHICH HAD THROUGHOUT THE NEGOTIATIONS ACTED WITH TOTAL INTRANSIGENCE. BRITISH ACTIONS WERE AN INSULT TO THE LATIN AMERICAN CONTINENT. 5. THE VENEZUELAN FOREIGN MINISTER ACCUSED THE BRITISH OF HAVING A PUNITIVE OBSESSION WHICH WAS SHARED BY THE EC, WITH THE HONOURABLE (SIC) EXCEPTIONS OF IRELAND AND ITALY. HE REPEATED THE USUAL CLICKES ABOUT BRITISH QUOTE COLONIALISM UNQUOTE, AND QUESTIONED BOTH UNSCR 502 AND 505. HE ASSERTED THAT THE LOCUS STANDI OF THE UN IN THIS DISPUTE WAS SUBORDINATE TO THAT OF THE OAS AND RIO TREATY. HE ACCUSED THE US OF INCOMPREHENSIBLY DESERTING ITS FRIENDS IN A WAY

PUNITIVE OBSESSION WHICH WAS SHARED BY THE EC, WITH THE HONOURABLE (SIC) EXCEPTIONS OF IRELAND AND ITALY. HE REPEATED THE USUAL CLES ABOUT BRITISH QUOTE COLONIALISM UNQUOTE, AND QUESTIONED BOTH UNSCR 502 AND 505. HE ASSERTED THAT THE LOCUS STANDI OF THE UN IN THIS DISPUTE WAS SUBORDINATE TO THAT OF, THE DAS AND RIO TREATY. HE ACCUSED THE US OF INCOMPREHENSIBLY DESERTING ITS FRIENDS IN A WAY WHICH WOULD CAUSE RESENTMENT THROUGHOUT LATIN AMERICA LONG AFTER THE CONFLICT HAD BEEN SETTLED.

6. THE NICARAGUAN DEPTY FOREIGN MINISTER MAINTAINED THAT IN FUTURE THE RIO TREATY SIGNATORIES SHOULD MEET IN LATIN AMERICA AND NOT IN WASHINGTON, WHICH WAS QUOTE FOREIGN TERRITORY UNQUOTE AS THE RESULT OF US SUPPORT FOR THE CONTINENT'S ENEMIES. (MANY OTHER DELEGATES MADE THE SAME POINT). THE US WAS AN ACCOMPLICE IN BRITISH AGGRESSION, AN BREACH OF ITS SOLEMN UNDERTAKINGS UNDER THE RIO TREATY. HAIG'S NEGOTIATING EFFORTS HAD BEEN DESIGNED MERELY TO GAIN TIME FOR THE UK TO ATTACK ARGENTINA.

7. THE PERUVIAN FOREIGN MINISTER MAINTAINED THAT ARGENTINA HAD THROUGHOUT BEEN FLEXIBLE AND HAD ACCEPTED (SIC) BELAUNDE'S PEACE PLAN. THE UK, ON THE OTHER HAND, WAS TOTALLY INFLEXIBLE AND HAD REJECTED IT. AGAIN, THE US WAS DISLOYAL TO THE HEMISPHERE AND SHOULD STOP AIDING THE UK WITH WEAPONS WHICH WERE USED AGAINST LATIN AMERICA.

8. HAIG MADE A LONG AND RELECTIVE SPEECH. HE FLIRTED WITH EVEN-HANDEDNESS BY STRESSING THE TRADITIONAL FRIENDSHIP BETWEEN THE US AND BOTH ARGENTINA AND THE UK. HOWEVER THE FOCUS OF HIS REMARKS WAS ON THE FACT THAT SINCE IT WAS ARGENTINA WHICH HAD COMMITTED THE ORIGINAL ACT OF AGGRESSION, IT WAS WRONG TO INVOKE THE RIO TREATY NOW THAT THE UK WAS RESPONDING. HAIG EMPHASIZED THE HISTORIC VALUE OF INTER-AMERICAN MECHANISMS AND INSISTED THAT IT WAS VITAL THAT THEY BE PRESERVED. HE ALSO GAVE A DETAILED ACCOUNT OF HIS OWN NEGOTIATING EFFORTS, STATING THAT HMG HAD OFFERED SERIOUSLY TO CONSIDER HIS FINAL PROPOSALS (NOTWITHSTANDING THE DIFFICULTIES THESE GAVE US), WHEREAS ARGENTINA HAD SIMPLY REJECTED THEM, AS THEY HAD DONE THE US/PERUVIAN PLAN AND THE UN SECRETARY GENERAL'S IDEAS. (THIS PRODUCED AN EMBARRASSEDLY INCOHERENT ARGENTINE RESPONSE). HAIG CONCLUDED THAT THE RIO TREATY SHOULD BE USED TO DEFEND THE RULE OF LAW, WHICH ARGENTINA HAD VIOLATED: IT WAS WRONG TO USE IT TO ADJUDICATE A DISPUTE OVER SOVEREIGNTY (ABOUT WHICH THE US WAS NEUTRAL). THE IMPORTANT THING WAS TO ENCOURAGE A PEACEFUL SETTLEMENT, SPECIFICALLY THE UN SECRETARY GENERAL'S EFFORTS.

. DONE RIL US/PERUYIAN PLAN AND THE UN SECRETARY GENERAL'S IDEAS. . (THIS PRODUCED AN EMBARRASSEDLY INCOHERENT ARGENTINE RESPONSE). MAIG CONCLUDED THAT THE RIO TREATY SHOULD BE USED TO DEFEND THE JLE OF LAW, WHICH ARGENTINA HAD VIOLATED: IT WAS WRONG TO USE IT TO ADJUDICATE A DISPUTE OVER SOVEREIGNTY (ABOUT WHICH THE US WAS NEUTRAL). THE IMPORTANT THING WAS TO ENCOURAGE A PEACEFUL SETTLEMENT, SPECIFICALLY THE UN SECRETARY GENERAL'S EFFORTS. Jest page Jest Jest Sept 1 9. HAIG WAS GREETED IN SILENCE: THOSE WHO ATTACKED THE US WERE GIVEN OVATIONS. 10. COLOMBIA INTRODUCED A MILD HAND-WRINGING RESOLUTION. TRINIDAD AND TOBAGO REPEATED ITS SUPPORT FOR SELF-DETERMINATION AND CONDEMNA-TION OF ARGENTINA FOR USING FORCE TO RESOLVE A DISPUTE. 11. ILLUECA (PANAMA) MADE HIS USUAL LONG-WINDED AND ABUSIVE SPEECH. THE ONLY NEW POINT WAS HIS QUOTE DEMAND UNQUOTE THAT THE US GIVE AN UNDERTAKING THAT ITS FORCES OR FACILITIES IN PANAMA SHOULD NOT BE USED IN SUPPORT OF THE UK. 12. COSTA RICA, URUGUAY, BOLIVIA AND GUATAMALA SPOKE WITHOUT ADDING ANYTHING, ALTHOUGH THE LAST THREE JOINED THE MOB IN CONDEMNING THE US. 13. COMMENT A BAD DAY FOR THE AMERICANS: A HYSTERIA IS BUILDING UP AGAINST US SUPPORT FOR OURSELVES WHICH COULD ALLOW THE ADOPTION OF A SHARPLY HOSTILE RESOLUTION TOMORROW. HOWEVER, BRAZIL AND MEXCIO HAVE KEPT THEIR POWDER DRY TODAY, AND THERE IS STILL A CHANCE THAT THE ARGENTINE DRAFT, WHICH IS DIRECTED AS MUCH AGAINST THE US AS THE UK, WILL RUN INTO STRONGER RESISTANCE IN THE CLOSED SESSION. HENDERSON NNNN MKHZAULSWZAYA

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2 7 MAY 1982

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TO IMMEDIATE FCG

TELEGRAM NUMBER 205 OF 27 MAY

INFO IMMEDIATE WASHINGTON UKMIS NEW YORK

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BOSOTA TELNO 133

1. I HAVE PEARD INFORMALLY FROM THE PRESIDENCY THAT PRESIDENT BELAUNDE IS MUCH ENCOURAGED BY WHAT PRESIDENT TURBAY HAS TOLD HIM .

CSI THE TELEPHONE ABOUT THE JOINT INITIATIVE SEMICLN THAT PRESIDENT BELAUNDE HAS SPOKEN TO GALTIER! MORE THAN ONCE THIS FORMING AND PRESIDENT BELAUNDE HAY WISH TO SEE ME

LATER TODAY QUOTE ONCE HE HAS OBTAINED GALTIER!'S AGREEMENT TO THE SEMI FORMULA UNQUOTE.

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CONFIDENTIAL DESKBY 272200Z ACTION ET BRASILIA 271945Z MAY 82 HIMEDIATE FCO TELEGRAM NUMBER 214 OF 27 MAY INFO IMMEDIATE EGGOTA, LIMA, UKMIS NEW YORK, WASHINGTON YOUR TELMO 109 TO BOGOTA: FALKLAND ISLANDS: PRESIDENT TURBAY'S INITIATIVE 1. HEAD OF THE AMERICAS DEPARTMENT AT ITAMARATY WAS TAKEN ABACK WHEN I INFORMED HIM OF THE GRAL MESSAGE DELIVERED TO YOU BY THE COLOMBIAN AMBASSADOR, PURPORTING TO BE ON BEHALF OF THE PRESIDENTS OF COLOMBIA, BRAZIL AND PERU. RICUPERO SAID THAT, FAR FROM APPROVING THE COLOMBIAN TEXT, THE FOREIGN MINISTRY HAD NOT EYEN RECEIVED IT UNTIL THIS MORNING. A PRELIMINARY STUDY DID NOT LEAD THEM TO THINK THAT IT WOULD GET FAR. NOR DID THEY THINK IT USEFUL TO DRAW THIS RED HERRING ACROSS THE UN SECRETARY-GENERAL'S PATH. 2. RICUPERO SAID THAT PRESIDENT TURBAY HAD IN FACT TWICE TELEPHONED PRESIDENT FIGUEIREDO SEEKING SUPPORT FOR AN UNSPECIFIED INITIATIVE. ON THE FIRST OCCASION FIGUEIREDO HAD EXPRESSED GENERAL SENTIMENTS IN FAVOUR OF A PEACEFUL SOLUTION. ON THE SECOND, HE HAD ASKED FOR CONCRETE COLOMBIAN PROPOSALS, WHICH HE HAD NOT YET SEEN, LET ALONE ENDORSED. TURBAY MIGHT HAVE BEEN ENCOURAGED TO TRY TO ENLIST FIGUEIREDO'S SUPPORT BY THE EXCELLENT PERSONAL RELATIONSHIP WHICH HAD SPRUNG UP BETWEEN THE TWO PRESIDENTS IN THE COURSE OF TURBAY'S STATE VISIT TO BRAZIL EARLIER THIS YEAR. IT COULD WELL BE THAT TURBAY ALSO HAD IT IN MIND THAT FIGUEIREDU MIGHT TALK TO GALTIERI (AS PART OF THE QUOTÉ PRESSURES UNQUOTE ENVISAGED IN PARAGRAPH 2 OF TUR): BUT FIGUEIREDO HAD GIVEN NO SUCH UNDERTAKING. MOREOVER, TURBAY'S ACTION IN LEAKING TO THE PRESS HIS TELEPHONE CALLS WITH FIGUEIREDO WITHOUT FIRST CONSULTING THE LATTER COULD HARDLY HELP MATTERS. RICUPERO SPECULATED THAT POSSIBLY THE COLOMBIAN PRESIDENTIAL ELECTIONS DUE THIS WEEKEND HAD SOMETHING TO DO WITH TURBAY'S SUDDEN ACTIVITY ON THE FALKLANDS FRONT. 3. RICUPERO WAS MOST GRATEFUL THAT WE HAD TAKEN UP THIS MATTER SO QUICKLY WITH THE ITAMARATY, I GOT THE IMPRESSION THAT, IF THE BRAZILIARS HAVE ANYTHING TO DO WITH IT, WE SHALL HEAR LITTLE AD WE OF THIS HALF-BAKED PROPOSAL. HA 10143

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FM FCO 281730Z MAY 82
TO IMMEDIATE BRASILIA
TELEGRAM NUMBER 141 OF 28 MAY
INFO WASHINGTON, UKMIS NEW YORK, BOGOTA, LIMA



FALKLAND ISLANDS: CALL BY THE BRAZILIAN AMBASSADOR

- 1. THE BRAZILIAN AMBASSADOR CALLED ON ME AT SHORT NOTICE TODAY ON INSTRUCTIONS FROM PRESIDENT FIGURIREDO.
- 2. CAMPOS REFERRED TO BRAZIL'S CONSTRUCTIVE POSITION THROUGHOUT THE CRISIS. IT DEPLORED THE ARGENTINE AGGRESSION AND VALUED ITS RELATIONS WITH THE UK. BUT IT WAS ALSO ARGENTINA'S NEIGHBOUR AND HAD A SPECIAL UNDERSTANDING OF ITS DIFFICULTIES. MATTERS WERE NOW AT A CRITICAL POINT. BRITISH INSISTENCE ON AN UNCONDITIONAL ARGENTINE WITHDRAWAL WOULD HAVE A DESTABILIZING EFFECT BOTH ON ARGENTINA AND THE REGION. IF ARGENTINA WAS FACED WITH MILITARY HUMILIATION, IT MIGHT HAVE NO CHOICE BUT TO TURN TO THE SOVIET UNION. THIS WOULD LEAD TO A MAJOR REALIGNMENT BOTH IN ITS EXTERNAL RELATIONS AND ITS DOMESTIC POLITICS. THIS WOULD NOT ONLY FACE THE UK WITH CONTINUED AND COSTLY MILITARY CONFRONTATION BUT WOULD HAVE DAMAGING REGIONAL CONSEQUENCES.
- 3. FIGUEIREDO, AFTER DISCUSSION WITH PRESIDENT TURBAY
 (ALTHOUGH CAMPOS INDICATED THAT BRAZIL WAS NOT DIRECTLY
 ASSOCIATED WITH THE LATEST COLOMBIAN PROPOSALS) WISHED
 TO KNOW WHETHER THE BRITISH POSITION ON ARGENTINE WITHDRAWAL
 AND ON FULL RESTORATION OF BRITISH SOVEREIGNTY WAS IRREVERSIBLE.
 HE HOPED NOT: AND OUR SUPPORT FOR THE SECRETARY-GENERAL'S
 RENEWED MISSION WAS ENCOURAGING. IT WAS ESSENTIAL TO WORK OUT
 SOME FRAMEWORK TO PROVIDE AN EXIT FOR ARGENTINA AND TO AVOID
 SOVIET INVOLVEMENT. HE HOPED THAT WE MIGHT INDICATE A CONTINUED
 WILLINGNESS TO NEGOTIATE A SOLUTION WHICH MIGHT INVOLVE A PHASED
 AND MUTUAL WITHDRAWAL AND INTERIM ADMINISTRATIVE ARRANGEMENTS
 (SUCH AS TRUSTEESHIP OR OTHER INTERNATIONAL PARTICIPATION).

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4. I SAID THAT WE HAD NO WISH TO HUMILIATE ARGENTINA. WE HAD ENGAGED IN LONG AND INTENSIVE NEGOTIATIONS BUT HAD BEEN MET WITH STUBBORN ARGENTINE REFUSAL TO COMPLY WITH SCR 502. IT WAS POSSIBLE THAT THE SECRETARY-GENERAL MIGHT NOW GET A DIFFERENT RESPONSE. BUT THE PRESENT MILITARY CONFRONTATION WAS THE FRUIT OF ARGENTINE OBDURACY AND HAD NOT BEEN OF OUR SEEKING. FOLLOWING OUR LANDING ON THE ISLANDS, THE CIRCUMSTANCES WERE INEVITABLY DIFFERENT. A CEASEFIRE HAD TO BE LINKED WITH A FIRM ARGENTINE COMMITMENT TO FULL WITHDRAWAL. WE APPRECIATED THAT THE ARGENTINIANS HAD GOT THEMSELVES INTO A MESS. BUT THIS WAS NOT OUR FAULT AND IT WAS HARD TO SEE WHAT WE COULD NEGOTIATE ABOUT AT THIS STAGE WITHOUT A MAJOR CHANGE IN THE ARGENTINE POSITION. WE INTENDED TO REPOSSESS THE ISLANDS AND TO RESTORE OUR ADMINISTRATION. THERE WOULD NECESSARILY HAVE TO BE A PERIOD FOR REHABILITATION. THERE COULD THEN BE A WIDE VARIETY OF POSSIBILITIES, IN WHICH THERE COULD BE AN INTERNATIONAL DIMENSION (WITH BRAZIL POSSIBLY PLAYING A PART).

5. CAMPOS, WHO WAS IN WASPISH MOOD, WENT ON TO MAKE SOME SHARP CRITICISM OF OUR POSITION ON SOVEREIGNTY AND ON THE ''PRE-JUDGEMENT'' IMPLICIT IN OUR ATTITUDE TO ISLANDERS' WISHES. HE ALSO MAINTAINED THAT OUR ATTITUDE TO UN INVOLVEMENT WAS SELECTIVE AND THAT BY TAKING MILITARY ACTION WE WERE SETTING OURSELVES UP AS ENFORCERS OF SCR 502. IT WAS NOT A PRODUCTIVE EXCHANGE. BUT I TOOK THE OPPORTUNITY TO MAKE CLEAR THE IMPORTANCE WHICH WE ATTACHED TO BRAZIL'S POSITION AND OUR APPRECIATION OF THE DANGERS INHERENT IN THE PRESENT SITUATION.

PYM

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FALKLAND ISLANDS: DAILY SITREP: 0730 28 MAY

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1. Sir A Parsons had a meeting with the Secretary General Sr Perez de Cuellar to deliver to him the Secretary of State's message. The Argentine response to Security Council Resolution 505 was still awaited.

OAS

2. The Rio Treaty meeting in Washington saw a series of attacks on the USA for their support of the UK. Mr Haig's speech was received in silence. Three draft resolutions, Colombian, Costa Rican and Argentine, were tabled for discussion in a closed session later today.

ARGENTINA

3. The Argentine news agency TELAM has accused Britain of using the hospital ship Uganda for military purposes and warned that if such use continues the Argentine Government will stop regarding the Uganda as being protected by the Geneva Conventions.

Emergency Unit

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By the time you see this, I hope to have mentioned to you on the telephone the Prime Minister's commission to Lord Shackleton to revise his Falklands Report.

I spoke to Robin Fenn about this today, so that the Emergency Unit could start thinking about the necessary arrangements. Shackleton reckoned that only a few days work was required. He spoke to me after the meeting with the Prime Minister, and I left him expecting to be contacted on Tuesday. It seems to me that a suitably senior figure needs to invite him to come in for a talk on Tuesday about admin, financial, and secretarial arrangements, and to undertake to get to him by 7 June terms of reference for the exercise.

Shackleton left the attached somewhat rambling piece of paper. He said that he was confident that he could get the key members of the original team - although one of them is in North Wales until the end of next week. He wanted at least one, and possibly two first class Civil Service secretaries "of No. 10 Private Secretary calibre". He would also need meeting facilities.

I think you will need to ensure that the Prime Minister briefs OD(SA) colleagues about this commission on Sunday or Tuesday. OD ought perhaps to approve the 'scenarios', which are given as part of the TORs. Shackleton has it in mind that these must cover the likely future status of the Falklands and the garrison arrangements, among other points.

Given the suspicions of the Falkland Islanders, and the UK Falklands lobby, of the FCO, there may be a case for finding the Shackleton team an office elsewhere - perhaps in the Cabinet Office. You might think that Michael Palliser would be the best person to talk to Shackleton about getting the details established. that it would be best for you to telephone Lord Shackleton on Tuesday,

/telling

- 2 -

telling him who will invite him to come in for a talk. We need to ensure that there will be no haggling about picking up the tab, which will be essentially a matter of expenses for those who must take time off other occupations, and finding the necessary staff resources for an exercise lasting no more than two or three weeks.



28 May 1982

Telephone message from Bob Storey - 11.25a.m. Richard Johnson rang him, and they have spoken. Gordon Eddie came home from Madras last night. He is here for 10 days and then going to Uruguay until the end of June. Thereafter in Rome, but available. He has signalled his willingness to help if he can, also said that he has heard rumours in the United Nations of the arrival, within a few weeks, when smoke clears, of something called the Southern Ocean Resources Project, mainly fisheries. Could be pre-emptive of a separate British initiative. Thought you ought to know. Observations Bob Storey agees with Richard that the Shackleton Report, as it stands, is probably not now going to be relevant, but essential basis for updating, and it could be updated. Fundamental questions have to be answered first. Number of matters to be answered before we can predict whether the outcome would be either a social, and even economic disaster, or situation where high social costs could be off-set by an increased range of opportunity. Questions will include: The size, permanence, location and needs of any garrison of troops. 1) Roads programme - there would be one problem of a trade-off 2) between the insulation, from fact, all the soldiers out in the camp, and opportunity if you brought road between Stanley and the camp. Land holdings - there would have to be a deal with the Falkland Islands Company, compulsively or otherwise, to create niches which would allow much smaller holdings. This would be possible, and necessary, because there would be other sources of supplying the garrison. The first thing is to get land, then have to get people because the labour supply so finely balanced. Question of our population arises - would immigration, at least of ex-Falklanders, be encouraged. Services - Social infrastructure - Planning for Stanley and elsewhere become critical. Attitudes - existing population would have to be determined, and would be crucial. Note Bob Storey still has very full notes on population, social data of interviews in the Falklands, which remain as crucial baseline data for any updating. Follow-up conversation - 11.35a.m. Obvious question remains, whether other resources - fisheries, oil, etc. would be developed. Another point of information Development Officer in the Falklands, who was appointed just before the crisis, remains willing to go. He comes from the borders of Scotland - Mr. Reid. British Islands Airways have applied for licences to operate from the Falkland Islands to Chile, if military situation arises.

PART 20 ends:-

27.5.82

PART 21 begins:-

28.5.82

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