

SECRET

15283 - 1

Am 040/225/2		
RECEIVED IN REGISTRY NO. 18		
19 JUN 1981		
DESK OFFICER		REGISTRY
INDEX	PA	Action Taken

GRS 845
 SECRET
 FM SGO 171631Z JUNE 81
 TO PRIORITY BUENOS AIRES
 TELEGRAM NUMBER 186 OF 17 JUNE
 INFO PORT STANLEY (PERSONAL FOR GOVERNOR)

MR RIDLEY'S MEETING WITH ARGENTINE DEPUTY FOREIGN MINISTER
 1. MR RIDLEY'S MEETING WITH SR ROS IN PARIS ON 15 JUNE WENT
 WELL AND THERE WAS A WIDE-RANGING DISCUSSION OF THE FALKLANDS
 ISSUE IN A FRIENDLY AND RELAXED ATMOSPHERE. AS EXPECTED, LITTLE
 NEW GROUND WAS BROKEN. BUT THE MEETING SHOULD HAVE HELPED BOTH
 TO REASSURE THE ARGENTINES OF OUR OWN CONTINUING DETERMINATION
 TO SEEK A PRACTICABLE SOVEREIGNTY SOLUTION, AND ALSO TO ASSIST
 AS FULL AS POSSIBLE AN UNDERSTANDING OF THE DIFFICULTIES OF BOTH
 SIDES. MR RIDLEY MADE VERY CLEAR THAT, WHILE WE FULLY RECOGNISED
 THE ARGENTINE GOVERNMENT'S PRESENTATIONAL PROBLEMS IN
 ACKNOWLEDGING THAT THERE COULD BE NO NEGOTIATED SOLUTION WHICH
 WAS NOT IN ACCORDANCE WITH ISLANDER WISHES, THESE REMAINED FOR
 US AN ESSENTIAL AND INESCAPABLE COMMITMENT. NO AGREEMENT WITH
 ARGENTINA WOULD OBLIGE PARLIAMENTARY APPROVAL OF WHICH WE DID NOT
 HAVE ISLANDER ENDORSEMENT.

2. NEITHER ROS (NOR ORLIZ DE ROZAS, WHO DID MUCH OF THE
 TALKING) SOUGHT TO EXERT ANY STRONG PRESSURES NOR HINTED AT
 MOUNTING ARGENTINE FRUSTRATION. THEY SEEM RECONCILED AT LEAST
 TO THE NEED TO AWAIT THE OUTCOME OF THE ISLANDS' ELECTIONS
 BEFORE A NEXT ROUND OF TALKS. THEY DESCRIBED THE ARGENTINE
 REQUIREMENT IN FAIRLY MODEST TERMS AS BEING SEEN TO BE TAKING AT
 LEAST SMALL STEPS TOWARDS A SOVEREIGNTY SOLUTION. HOWEVER ROS
 WAS CLEARLY CONCERNED THAT THE ELECTIONS WOULD PROVE TO BE A
 CRITICAL POINT OF DECISION FOR THE ISLANDERS AND
 THAT THE RESULT MIGHT THUS FORECLOSE THE OPTIONS (WE SOUGHT TO
 REASSURE HIM ON THIS, WHILE RECOGNISING THAT THE ELECTIONS
 INEVITABLY MEANT A LOSS OF MOMENTUM AND A MORE NEGATIVE STANCE
 BY NEWLY-ELECTED COUNCILLORS). ROS ALSO EXPRESSED CONCERN THAT

AKK

SECRET

SECRET

15283 - 1

ALL THE STEPS SO FAR TAKEN BY THE ARGENTINES TO IMPROVE THE CLIMATE (AIR SERVICES, FUEL, AND NOW THE YPF JETTY) MET ONLY CRITICISM AND REJECTION BY THE ISLANDERS. THE JETTY PROBLEM NOW SEEMED 'AT A DEAD END' OVER THE FLAG ISSUE (WE ARGUED THAT THIS WAS NOT OUR OWN ASSESSMENT: THE FLAG ISSUE WAS AN EMOTIONAL AND DIFFICULT ONE BUT THERE REMAINED MIDDLE GROUND TO BE EXPLORED). THIS ATTITUDE OF REJECTION MIGHT MEAN THAT DOMESTIC OPINION IN ARGENTINA WOULD CONCLUDE THAT THERE WAS NO VALUE IN POSITIVE GESTURES OR INDEED IN CONTINUING TO TALK.

3. IT WAS INTERESTING THAT BOTH ROS AND ORTIZ DE ROZAS SUGGESTED THE ADVISABILITY OF GETTING AHEAD ON ECONOMIC COOPERATION, PARTICULARLY ON OIL. THEY HINTED THAT, WITH RECENT OIL DISCOVERIES OFF THE MAINLAND DEMONSTRATING THE POTENTIAL OF THE RESOURCES OF THE AREA, THE NEED TO SORT OUT THE MODALITIES FOR JOINT EXPLORATION/EXPLOITATION WAS, IN THE ARGENTINE VIEW, NOW MORE ACUTE. THEY EXPRESSED CONCERN THAT PROPOSALS FOR JOINT COOPERATION MIGHT ALSO FALL FOUL OF ISLANDER OPPOSITION, BECAUSE OF THE CONSEQUENCES FOR THE ISLANDERS' WAY OF LIFE. MR RIDLEY SAID THAT WE WOULD NOT SEE THIS AS A MAJOR PROBLEM WITH THE ISLANDERS. THEY WERE NATURALLY CONCERNED AT WHAT WOULD HAPPEN IF THE ISLANDS WERE TO BECOME A SECOND SUELOM VOEL. BUT IT WAS SURELY MORE LIKELY THAT THE EXISTING INDUSTRIAL INFRASTRUCTURE ON THE ARGENTINE MAINLAND WOULD BE USED. FOR THE ISLANDERS IT WAS MORE A MATTER OF SECURING AN EQUITABLE BENEFIT. THERE APPEARED TO BE AN UNDERLYING SUGGESTION HERE THAT THE ARGENTINES MIGHT NOW BE WILLING TO TALK ABOUT OIL AT LEAST IN PARALLEL WITH SOVEREIGNTY. ROS SHOWED LESS INTEREST ON CONTROL OF FISHING AND, IN REPLY TO A QUESTION, DID NOT APPEAR TO SEE THE FALKLANDS DISPUTE AS SERIOUSLY CUTTING ACROSS ARGENTINE INTEREST IN SOUTH ATLANTIC SECURITY.

4. THE FOLLOWING IDEAS WERE ALSO TOUCHED ON:-

A). ISLANDER CONCERN OVER THE STRENGTH OF INTERNATIONAL GUARANTEES FOR ANY SOVEREIGNTY SETTLEMENT. MR RIDLEY ADVANCED THE THOUGHT THAT SOME FORM OF INTERNATIONAL TRUSTEESHIP MIGHT NEED TO BE CONSIDERED IN ORDER TO REASSURE ISLANDERS ON THE SECURITY AND PERMANENCE OF AN AGREEMENT.

2

SECRET

/ROS

SECRET

15283 - 1

ROS UNDERTOOK TO THINK ABOUT THIS.

B) THERE WAS A GENERAL DISCUSSION ON HOW TO KEEP UP THE MOMENTUM OF DEBATE IN THE ISLANDS AND ON WHETHER A FORMAL ARGENTINE EXPRESSION WITHIN THE NEXT MONTH OR SO OF THEIR WISH FOR FURTHER TALKS BEFORE THE END OF THE YEAR MIGHT BE HELPFUL IN CONCENTRATING ISLANDER MINDS IN ADVANCE OF THE ELECTIONS TO THE LEGISLATIVE COUNCIL. ROS WILL BE THINKING ABOUT THIS ALSO. HE SAW THE PROBLEM AS HOW TO BALANCE ANY PUBLIC STATEMENTS SO THAT THEY SHOULD NOT ANTAGONISE ISLANDER OPINION ON THE ONE HAND NOR PROVOKE ARGENTINE DOMESTIC PRESSURES ON THE OTHER.

C) IN CONSIDERING A NEXT ROUND OF TALKS AND THE DIFFICULTIES OF SECURING EARLIER ISLANDER AGREEMENT TO EXPLORE A PARTICULAR BASIS FOR PROGRESS ON SOVEREIGNTY, THE ARGENTINES APPEARED TO SEE NO PRESENTATIONAL DIFFICULTIES ABOUT TALKS BASED ON AN OPEN AGENDA, PROVIDED THAT THE GENERAL QUESTION OF SOVEREIGNTY REMAINED CLEARLY ON THE TABLE. 5. OVERALL THIS WAS A USEFUL MEETING WHICH SERVED ITS IMMEDIATE PURPOSE IN KEEPING CHANNELS OPEN. ROS MADE CLEAR THAT CAMILLON WOULD BE SEEKING A BILATERAL AT FOREIGN MINISTER LEVEL IN NEW YORK IN SEPTEMBER.

CARRINGTON

LIMITED

SAMD

PS

PS/LPS

PS/MR RIDLEY

PS/PUS

MR DALE

MR URE

SECRET