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FM BUENOS AIRES 01/1505Z MAR 82

TO FLASH FCO

TELEGRAM NUMBER 135 OF 01 APRIL 1982
INFO FLASH PORT STANLEY (PERSONAL FOR GOVERNOR)

TEL AVIV (FOR SEC OF STATE'S PARTY), WASHINGTON AND UKMIS NEW YORK

MY TELNO 134 : FALKLANDS CRISIS

1. AT MY INTERVIEW COSTA MENDEZ EXPLAINED THE DELAY BY THE PRESIDENT'S NEED TO CONSULT THE JUNTA WHICH HAD APPROVED THE FOLLOWING REPLY. THE ARGENTINE GOVERNMENT REGARDED THE MATTER OF SOUTH GEORGIA AS CLOSED AND SAW NO PURPOSE IN AN EMISSARY JOHLAS UNLESS THIS WERE TO DISCUSS THE TRANSFER OF SOVEREIGNTY. IN RECARD TO THE LATTER THE ARGENTINE REPRESENTATIVE TO THE UN WOULD THIS AFTERNOON BE ADDRESSING TO THE ORGANISATION A STATEMENT ON THE DELAYS

IN THE NEGOTIATIONS OVER THE LAST SEVENTEEN YEARS. HE REITERATED THE ARGENTINE GOVERNMENT'S DESIRE FOR A PEACEFUL SOLUTION OF THE BASIC QUESTION AND AGAIN DEPRECATED PRESS REPORTS BOTH OF THE MOVEMENT OF BRITISH NUCLEAR SUBMARINES TO THE AREA AND OF YOUR STATEMENT THAT WE HAVE NO DOUBTS ABOUT BRITISH SOVEREIGNTY.

- 2. I SAID I WOULD CONVEY HIS MESSAGE BUT WOULD STRAIGHT AWAY REMARK :
 - (A) THAT, IN OUR VIEW, THE PRESENT SITUATION IN SOUTH GEORGIA WAS THAT THE WORKMEN WERE THERE ILLEGALLY AND THAT THE ACTION WHICH WE HAD PROPOSED. TO REMOVE THEM HAD BEEN TEMPORARILY SUSPENCED AT ARGENTINE REQUEST. I DID NOT SEE HOW THIS COULD BE RECONCILED WITH THE ASSERTION THAT THE MATTER WAS CLOSED. COSTA MENDEZ NOT SURPRISINGLY REACTED SHARPLY TO THE TRUE STATEMENT THAT HE HAD REQUESTED A SUSPENSION OF ACTION AND CONTENDED (UNTRUTHFULLY). THAT HE HAD SAID THE COMMUNICATION OF OUR INTENTION WAS UNACCEPTABLE. I CONFINED MYSELF TO REPLYING THAT, WHILE OF COURSE BOTH OUR COMMUNICATION AND HIS RESPONSE HAD BEEN CONFIDENTIAL, WE WOULD BOTH DOUBTLESS BE GIVING OUR CHRONOLOGY OF EVENTS TO THE UN: (AT THIS STAGE HE CONFIRMED THAT THE ARGENTINES DID NOT PROPOSE TO REQUEST A SECURITY COUNCIL MEETING NOW).
 - (3) I WAS SURE YOU WOULD AGREE THAT THE ACTIONS OF THE TWO GOVERNMENTS SHOULD NOT BE DETERMINED BY PRESS REPORTS OF NAVAL MOVEMENTS. I THOUGH IT HOWEVER INCORRECT TO REFER ONLY TO REPORTS OF THE MOVEMENT OF BRITISH SHIPS. THE ARGENTINE PRESS HAD FOR DAYS BEEN CARRYING NOT ONLY DETAILED ACCOUNTS OF ARGENTINE NAVAL MOVEMENTS BUT STATEMENTS ABOUT THEM EGBY THE ARGENTINE MINISTER OF DEFENCE. I ALSO EXPRESSED SURPRISE THAT HE SHOULD QUESTION YOUR STATEMENT ABOUT OUR

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INSTANCE, BEEN MADE DURING OUR CORDIAL DISCUSSIONS IN NEW YORK IN FEBRUARY AS WELL AS FREQUENTLY IN PARLIAMENT: I AGAIN DREW ATTENTION TO THE REFERENCES IN YOUR MESSAGE TO CONSTRUCTIVE IDEAS AND TO PURSUING THE BROADER ISSUES.

ARGENTINES NO LONGER WISHED TO EMPLOY THE DIPLOMATIC CHANNEL IN REGARD TO THE SITUATION IN SOUTH GEORGIA. WHEN, AFTER A SHORT PAUSE, HE SAID YES, I ASKED WHETHER HE DID NOT INTEND TO ANSWER IN WRITING TO YOUR WRITTEN MESSAGE. HE SAID THAT HE COULD CERTAINLY, IF I WISHED, SUPPLY A WRITTEN CONFIRMATIONM I REPLIED THAT I WOULD RATHER HAVE A WRITTEN MESSAGE SETTING OUT WHAT WERE ARGENTINA'S DESIRES IN REGARD TO FURTHER NEGOTIATIONS. HE DID NOT DEMUR AND WE ARRANGED THAT DAVID JOY MY COUNSELLOR, SHOULD COLLECT SUCH A MESSAGE LATER THIS MCRNING.

WILLIAMS

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