

FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION)

0700 14 MAY 1982

UN

1. Sir A Parsons' Tactics, 13 May: Sir A Parsons employed delaying tactics successfully. With the Secretary-General he spoke as instructed but did not make the points about South Georgia and the interim administration; he judged they would almost certainly have precipitated a breakdown. Sir A Parsons took the line that because of the emergency debate London had not been able to send definitive instructions on these two points. Both the Secretary-General and the Argentines accepted this.

2. Vacuum at the end of the interim period: Sir A Parsons told the Secretary-General that we could trust him but not the Security Council; might it not be possible to devise a formula under which if the Secretary-General affirmed both sides were negotiating in good faith, then the interim administration would remain in being unless the Security Council decided otherwise? The Secretariat said the Argentines were also concerned about Security Council involvement; the Secretariat draft contained no reference to the Security Council but would allow the Secretary-General to authorise an extension. The Argentines would accept this if only one such extension were allowed (possibly an extra month or two). Sir A Parsons said this condition would not be acceptable. The Secretary-General reported later that Ros, in private, had produced what the Secretary-General described as points which were a 'little more co-operative' on the vacuum and interim administration.

3. Secretary-General's Position: The Secretary-General is very worried and close to the end of his tether. He believes the ball is in our court; it is up to us to make some concession in response to the Argentine position on sovereignty. Also the Secretary-General is considering presenting a paper to both parties on 15 May giving a time limit of 3 days to make or break the negotiations.

4. Sir A Parsons' Assessment: Sir A Parsons judges that there is a very real risk that if we hold to our positions on interim administration and South Georgia and negotiations break down (which is very likely) there would then be no hope of us being able to place the blame for a breakdown on Argentina. Also he could not reasonably repeat his delaying tactics of 13 May.

5. Sir A Parsons proposes a modified tactic under which we would have to decide now to make a concession on South Georgia and accept, at least in principle, the Secretariat concept of a rectangle for withdrawal rather than a circle or circles, leaving only the interim administration as a major stumbling block. The Secretary-General might then be persuaded to bring out his paper leaving a blank space on interim administration and we would succeed in frustrating Argentine attempts to

wrong foot us.

6. Sir A Parsons will meet the Secretary-General today; an informal meeting of the Security Council begins at 2000Z. Sir A Parsons does not need instructions before the Security Council meet and provided he can give an assurance that instructions are on their way it might be possible to avoid serious problems in the meeting.

US

7. President's views: The President is very concerned about the worsening situation. The US has already impaired its relations with Latin American countries; and there would be serious problems in NATO if hostilities were intensified and this led to feelings in the UK that the US were not giving us sufficient support. But the President is completely on our side and the Americans are ready to do anything we want.

6. Background to Conversation with Prime Minister: The President paid heed to the Brazilian President's opinion that a British attack on the Argentine mainland would have far-reaching consequences inflaming the whole Latin American continent; and to Mrs Kirkpatrick's report that Argentina was being forthcoming on sovereignty and that a corresponding concession by the British would pave the way to an agreement. (See Sir A Parsons' report in UKMIS New York Telno 739 (at Flag A) and 74'). Sir N Henderson contested Mrs Kirkpatrick's garbled account of negotiations in New York and he suggests that we might turn her intervention with the White House to advantage by spelling out to the President what we would like him to do at this stage.

EC

7. France: On 13 May M. Cheysson said publicly that it would be dangerous to forecast what would happen on renewal of sanctions. HM Ambassador reports that there will be a meeting of Irish and French Foreign Ministers today. He suggests he should pass an oral message from the Secretary of State to M. Cheysson to say that we hope he will take this opportunity to stiffen Irish resolve on renewing sanctions.

8. FRG: Speaking personally Herr Genscher assured our Ambassador that the FRG would hold to its line that sanctions would have to be continued if no peaceful solution had been agreed by 17 May. HM Ambassador has also heard that the FRG may wish to limit extension to fifteen days.

9. Denmark: The Danes do not wish to prevent renewal of the ban but are holding to use of Article 224. They may accept a 14-day extension to allow national action under Article 224.

10. Ireland: No official decision has been taken on sanctions; this will depend on how the meeting/meetings go. The Prime Minister will decide Irish policy.

Washington
Telno 1746)

Washington
Telno 1745)

UKMIS
New York
Telno 741)

Paris Telno
83)

Paris Telno
83)

Bonn
Telno 440)

Copenhagen
Telno 126)

Dublin
Telno 149)

M (Brussels
Telno 176)

11. Belgium: The Belgian Prime Minister says that they will continue to support us wholeheartedly.

N
(Hague
Telno 120)

12. Netherlands: The Dutch favour extending the EC ban but in the light of other countries' attitudes they favour extension for a short period only.

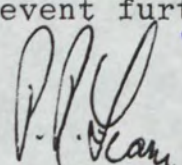
13. For reference purposes UKMIS New York Telnos 731 and 733 are at Flag O.

Comment

14. Sir A Parsons's view is that the talks are now likely to break down (leaving us on the wrong foot) unless we can today offer some movement on South Georgia or on an interim administration. There has apparently been some Argentine give on the vacuum following the target date: but we do not have details. If progress is blocked, the Secretary General is considering putting forward his own paper on 15 May with a short time limit for response. There is an informal meeting of the Security Council at 2000Z today.

15. Decisions are needed on:

- (a) whether we should now offer further concessions in order to keep the talks going;
- (b) if so, whether this should be on withdrawal from South Georgia (as Sir A Parsons recommends on the basis of para 6(1) of UKMIS New York telno 733); leaving the question of interim administration for later treatment;
- (c) whether to accept Sir A Parsons's proposed tactic that he should not receive his instructions before the informal meeting of the Security Council;
- (d) whether, as suggested to Sir H Henderson by Judge Clark (Washington telnos 1745 and 1746), we should now set out clearly for President Reagan what we want from him, in order to prevent further wobble.


P R Fearn
Emergency Unit

14 May 1982