

See line - to see

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kind of this is of only minor interest in the last days of the outgoing administration. But

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para 3 - if based on information it is of interest in encouraging a more receptive domestic climate on the

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TELELETTER *transmission* : *idea* GRPS 700

TO <i>AIAN 040/325/20</i>		
RECEIVED IN REGISTRY NO. 13		
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DESK OFFICER		REGISTRY
INDEX	PA	Action Taken
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DATE: 10 MARCH 1981 *11/3* *C. H. E.*

Mr Smith
Mr Fraser
Carandoli is naive to think the Council as a whole would not get into the world press. He certainly placed no restrictions on them. For the rest, the Argentine press reaction is not as bad as we might have expected.

FOLLOWING FOR : C C BRIGHT ESQ, SAMD, FCO

COPY TO : M W GROWCOTT ESQ, PORT STANLEY BY BAG

FROM : R H T GOZNEY ESQ, BUENOS AIRES

FALKLAND ISLANDS: AFTERMATH OF THE NEW YORK TALKS

1. SINCE BUENOS AIRES TELNO 91 THERE HAS BEEN FURTHER PUBLIC COMMENT ON THE STATE OF THE TALKS, IN THE FORM OF A SHORT FOREIGN MINISTRY STATEMENT, AN ARTICLE IN THE NEWSPAPER LA NACION AND AN EDITORIAL IN LA PRENSA.

2. LATE ON FRIDAY 6 MARCH THE FOREIGN MINISTRY ISSUED A STATEMENT MAKING THREE POINTS:

(A) THE ARGENTINE CLAIM FOR THE RESTITUTION OF SOVEREIGNTY HAD NOT CHANGED AND ANY PROPOSAL WHICH DID NOT GIVE PRIORITY TO THIS ARGENTINE RIGHT OF RESTITUTION HAD BEEN COMPLETELY REJECTED.

(B) THE NEGOTIATIONS HAD INTENSIFIED SINCE APRIL 1980.

(C) THE NEGOTIATIONS WERE BEING HELD WITHIN THE FRAMEWORK ESTABLISHED BY RESOLUTIONS OF THE UNITED NATIONS AND ON THE BASIS OF CONFIDENTIALITY, AS AGREED WITH THE BRITISH IN 1977

blague reference to Tenn.

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from?*

HIS STATEMENT WAS ISSUED QUOTE IN THE LIGHT OF DIFFERENT VERSIONS ABOUT THE PROGRESS OF THE NEGOTIATIONS UNQUOTE AND WAS A FURTHER REACTION, FOLLOWING THE MINISTRY'S OFFICIAL DENIAL OF QUOTE THE PAMPERED REGION UNQUOTE IDEA, TO THE PRESS CONFERENCE HELD BY ADRIAN MONK AND STUART WALLACE IN PORT STANLEY A WEEK AGO. THE WAY IN WHICH THE COUNCILLOR'S STATEMENTS WERE RELAYED BY THE INTERNATIONAL NEWS AGENCY HAS UPSET COMODORO CAVANDOLI - IN THAT IT HAS MADE IT MORE DIFFICULT FOR HIM TO TRY AND KEEP THE LID ON PUBLIC DEBATE HERE. HE ACCEPTS THAT IN NEW YORK IT WAS AGREED THAT COUNCILLORS WOULD NEED TO TALK FAIRLY OPENLY WITHIN THE ISLANDS BUT HE DID NOT EXPECT THEIR ACCOUNT OF NEW YORK TO BE BROADCAST SO WIDELY AND THUS FIND ITS WAY DIRECTLY BACK HERE. I HAVE ASSURED RICHARD FORRESTER, WHO TOLD ME OF CAVANDOLI'S REACTION, THAT COUNCILLORS MONK AND WALLACE UNDOUBTEDLY HAD NO INTENTION TO MAKE LIFE FOR THE FOREIGN MINISTRY MORE DIFFICULT. I IMAGINED THAT THEY WERE BRIEFING LOCAL JOURNALISTS BUT WITH THE AP MAN IN STANLEY AT THE TIME THEY COULD SCARCELY EXCLUDE HIM FROM THE PROCEEDINGS. FORRESTER WAS REASSURED AND WILL PASS THE MESSAGE BACK TO CAVANDOLI (TO WHOM HE IS WORKING DIRECTLY FOLLOWING OLIVERI LOPEZ' DEPARTURE).

3. JUST BEFORE THE MINISTRY STATEMENT WAS ISSUED LA NACION RAN AN INTERESTING ARTICLE, IN THEIR EDITION OF 6 MARCH. BASED ON SOURCES CLOSE TO THE ARGENTINE DELEGATION TO THE NEW YORK TALKS, THE NEWSPAPER COMMENTED BRIEFLY ON THE LEASEBACK IDEA STATING THAT THE PERSISTENCE OF THIS SUGGESTION MEANT THAT IT HAD TAKEN ON THE NATURE OF A BRITISH PROPOSAL. IT NEEDED TO BE SEEN IN COMBINATION WITH THE PROPOSAL FOR A FREEZE, BECAUSE LEASEBACK WOULD MEAN A VIRTUAL FREEZE ON THE SOVEREIGNTY CLAIMS FOR THE LENGTH OF THE LEASE. HONG KONG WAS MERELY A POINT OF REFERENCE, (IN OTHER WORDS (NOT THE DEFINITIVE MODEL), AND ARGENTINA WOULD DEMAND MORE THAN BRITAIN GAVE TO CHINA. ARGENTINE LINKS WITHIN THE ISLANDS WOULD BE ESTABLISHED, ALTHOUGH NO CHANGE IN THE SOCIAL OR POLITICAL LIFE WOULD BE IMPOSED. IN ADDITION, THE ISLANDS COULD WELL BE GIVEN SPECIAL TREATMENT SUCH AS THE SUBSIDISED FLIGHTS ENJOYED BY PEOPLE LIVING IN TIERRA DEL FUEGO.

4. THE EDITORIAL IN LA PRENSA , ALSO ON 6 MARCH, DISCUSSED
BRITISH MOTIVES IN PUTTING FORWARD A FREEZE. THE PAPER CONCLUDED
THAT THE PROPOSAL WAS A FRONT BEHIND WHICH WE WERE DELIBERATELY
TRYING TO OBSTRUCT AND POSTPONE INDEFINITELY A FINAL SOLUTION TO
THE DISPUTE. THE ATTEMPT TO PUT IT INTO HIBERNATION WAS A NATURAL
POSITION FOR US TO TAKE AS THE PARTY THAT HAD TO GIVE WAY BUT DID
NOT WISH TO DO SO. THE VICTOR IN THE STERILE TALKS HAD BEEN
BRITAIN, SINCE SHE HAD WON TIME. THE PAPER CALLED ON THE ARGENTINE
GOVERNMENT TO RE-EXAMINE THEIR POSITION OVER THE DISPUTE, A
POSITION WHICH SO FAR HAD BEEN NEGATIVE. THEY SHOULD CHANGE THEIR
QUOTE CALM AND RELAXED UNQUOTE ATTITUDE.

5. THE FOREIGN MINISTRY STATEMENT DOES NOT CREATE DIFFICULTIES
FOR US AND WE MAY SEE MORE IN THE SAME VEIN DURING THE NEXT
THREE WEEKS AS THE OUTGOING MINISTERS JUSTIFY THEIR TERMS OF OFFICE.
THE ARTICLE IN LA NACION IS INTERESTING BECAUSE IT DOES NOT
CRITICISE THE IDEA OF LEASEBACK, BUT INSTEAD OFFERS SOME, SLIGHTLY
CONSTRUCTIVE, COMMENT ON THE IDEA AND THUS HELPS TO LEAVE OPEN
THIS OPTION. THE LA PRENSA EDITORIAL, BY NO MEANS THE ONLY ONE
RECENTLY TO CRITICISE US FORCEFULLY OVER THE FALKLANDS, NEEDS TO
BE SEEN IN THE CONTEXT OF A NATIONALISTIC CAMPAIGN THE
NEWSPAPER IS WAGING OVER ARGENTINE SOVEREIGNTY IN THE SOUTH. A SERIES
OF SIGNED ARTICLES AND EDITORIALS IN THE NEWSPAPER HAVE BEEN
GIVING THE PAPAL PROPOSAL FOR THE SOLUTION OF THE BEAGLE CONFLICT
AN EQUALLY ROUGH RIDE.

SIGNED R H T GOZNEY

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