

BAFC 102/36

BA

ALW 040/325/2		
RECEIVED IN REGISTRY NO. 18		
12 MAY 1981		
DESK OFFICER		REGISTRY
INDEX	PA	Action Taken

CONFIDENTIAL

TELELETTER

GRPS : 1224

TO :

FCO

CONFIDENTIAL

FILE/REF :

040/1

DATE : 05 MAY 1981

FOLLOWING FOR :

MR FEARN, SAMD, FCO

COPY (BY BAG) :

TO GOVERNOR, FALKLAND ISLANDS (PERSONAL)

FROM :

HMA

FALKLAND ISLANDS DISPUTE

Enter
CR

11/5

Mr Fearn Submitt

We spoke + shed some information about T/L. This is all very well as a view strictly from BA. But Mr Williams is fully aware of the equal importance of the Islands UK domestic aspects of the situation + it does not really help simply to ignore them. Also we have been for as yet no direct input into present Argentine intentions.

This T/L borders on discrediting in some parts. It will be valuable for the use to have a full opportunity to present matters and will be valuable in BA next month.

[Signature]
17/5

1. I AM CONCERNED THAT, TO JUDGE FROM YOUR TELNO 130 AND REX HUNT'S LETTERS TO YOU AND ME OF 29 APRIL, I MUST HAVE GIVEN TOO RELAXED A PICTURE OF OUR POSITION AND PROSPECTS ON THIS ISSUE, AS THEY APPEAR FROM HERE.

2. AT THE RISK OF PLATITUDE, I SHOULD RECAPITULATE :

(A) NOT ONLY THE ARGENTINES, BUT THE MAJORITY OF THE UN MEMBERSHIP INCLUDING THE USA AND MOST OF OUR WESTERN FRIENDS ARE OPENLY SCEPTICAL ABOUT THE LEGITIMACY OF OUR POSITION IN THE FALKLANDS AND HAVE REALLY ONLY KEPT THE DOGS OFF US ON THE UNDERSTANDING THAT WE HAVE COMMITTED OURSELVES TO SIGNIFICANT NEGOTIATIONS OF THE ISSUE. WE HAD ALREADY STRETCHED THIS UNDERSTANDING OVER SOME 14 YEARS WHEN THE LAST LABOUR GOVERNMENT FELL, BUT HAD MORALLY COMMITTED OURSELVES QUITE FAR IN THE PROCESS. THE CHANGE OF GOVERNMENT PERMITTED BOTH A WITHDRAWAL FROM SUCH COMMITMENT AND NEARLY TWO YEARS OF REVERSION TO QUOTE PRE-NEGOTIATIONS UNQUOTE WITH A CONCENTRATION ON THE NEBULOSITIES OF ATMOSPHERE AND CLIMATE. LAST FEBRUARY, HOWEVER, WE WERE OBLIGED TO COMMIT OURSELVES AGAIN SPECIFICALLY TO NEGOTIATION, THOUGH WE WERE ABLE TO SECURE ARGENTINE ACQUIESCENCE IN DEVOTING THE FIRST SESSION TO CONVINCING ISLANDER REPRESENTATIVES THAT THEIR PREFERRED NEGOTIATING PLOY WAS, AS WE AND THE ARGENTINES ALREADY KNEW, A NON-STARTER

(B) NO NEGOTIATION CAN BE CONVINCINGLY CONFINED FOR LONG TO ONE DAY-AND-A-HALF SESSION A YEAR, PARTICULARLY WHEN IT HAS BEEN 16 YEARS A-STARTING. WE SHALL NOT, CONSEQUENTLY, LOOK REASONABLE IN EITHER ARGENTINE OR WORLD EYES, IF WE ARE NOT EVEN PREPARED TO CONTEMPLATE ANOTHER ROUND THIS YEAR. THE NEXT OCCASION THE QUESTION WILL ARISE WHETHER THE US AND OUR OTHER FRIENDS WILL GO ON PROTECTING US FROM THE ANTI-COLONIAL PACK WILL BE NEXT AUTUMN IN NEW YORK. IT WILL FALL AWKWARDLY AT A TIME WHEN THE AMERICANS ARE OSTENTATIOUSLY CULTIVATING THE ARGENTINES. MEANWHILE, IF WE ARE TO FACE ANOTHER SUCH ROUND, WE MUST HAVE QUOTE SOMETHING UNQUOTE TO PROPOSE, IF WE ARE NOT TO LEAVE THE FIELD FREE FOR ARGENTINE PROPOSALS WHICH CAN ONLY BE UNACCEPTABLE TO US.

*Is this a
hand picture?*

(C) IN PRACTICE, HAVING REGARD TO THE LONG THINKING WHICH EVENTUALLY PRODUCED IT, WE KNOW THAT THE ONLY QUOTE SOMETHING UNQUOTE WHICH IS REMOTELY LIKELY TO EMERGE IS SOME LINE BASED ON THE BROAD CONCEPT OF LEASEBACK. THIS IS THE ONLY BASIS FOR NEGOTIATIONS SO FAR PUT FORWARD WHICH TACKLES THE SOVEREIGNTY ISSUE IN ANYTHING BUT TOTALLY UNACCEPTABLE FORM AND WE ARE ONLY IGNORING WHAT WE KNOW PERFECTLY WELL IF WE PRETEND THAT WE CAN HOPE TO NEGOTIATE WHILE EVADING THE SOVEREIGNTY ISSUE. FOR BOTH THE ARGENTINES AND THE ISLANDERS, ALL QUESTIONS OF OIL, FISH OR WHAT-HAVE-YOU IMPORTANT, ARE SECONDARY AND CONSEQUENTIAL.

THE CONTENT OF THE NEXT AND FUTURE NEGOTIATIONS. IT WOULD, OF COURSE, BE EASIEST FOR US IF THE INITIATIVE FOR DOING THIS SHOULD COME FROM THE ISLANDERS. BUT WE KNOW IT WON'T OR AT LEAST THAT IT WON'T WITHOUT A VERY STRONG STEER FROM US. THE MOST WE CAN REASONABLY EXPECT IS THAT THE ISLANDERS WILL NOT BLOCK US FROM TAKING THE INITIATIVE OURSELVES. BUT WILL EVEN THIS BE ASSURED UNLESS WE BESTIR OURSELVES A GOOD DEAL MORE THAN WE SEEM TO BE DOING AT PRESENT? IF I GO TO THE ISLANDS I CAN AT LEAST WAKE COUNCILLORS UP BY MAKING THEIR FLESH CREEP WITH EXPERT ADVICE ABOUT POTENTIAL ARGENTINE FRIGHTFULNESS. IT WOULD CLEARLY BE USEFUL IF JOHN URE COULD COME WITH A SIMILARLY CLEAR MESSAGE FROM LONDON THAT COUNCILLORS MUST TAKE THEIR HEADS OUT OF THE SAND. BUT CAN HE? WE MAY BE RELUCTANT TO BE SEEN TO BE EXERTING PRESSURE - BUT WE COULD BE FAILING IN OUR DUTY IF, BEYOND A CERTAIN POINT, WE DID NOT DO SO.

- (E) IF WE CANNOT CLEAR OUR FEET TO TAKE THE STEP OF TABLING LEASEBACK OURSELVES, IS THERE ANY POSSIBILITY OF GETTING THE ARGENTINES TO DO SO? REX HUNT'S REPORT OF WHAT CAMILION TOLD BROWN OF THE EXPRESS CONFIRMS THAT THE NEW ARGENTINE REGIME HAVE TAKEN UP THE INHERITANCE OF A GUARDED WILLINGNESS TO EXAMINE THE CONCEPT. BUT IT WOULD NEED VERY CAREFUL MANOEUVRING TO EDGE THEM INTO MAKING IT AN ARGENTINE PROPOSITION AND WHAT WOULD COME OUT INITIALLY WOULD PROBABLY BE IN A FORM SUFFICIENTLY UNSATISFACTORY FOR US THAT MAKING SURE THAT UK AND ISLAND PUBLIC REACTION DID NOT KILL IT AT BIRTH WOULD ALSO NEED A METICULOUSLY WORKED OUT STRATEGY.
- (F) ALL THIS, IF MATTERS ARE NOT TO DETERIORATE, INDICATES A REQUIREMENT FOR CAREFULLY PLANNED ACTION SOON. I CONFESS I FIND NO PLACE, WITHIN THIS TIME SCALE, FOR A PURELY FAMILIARISATION VISIT TO THE AREA BY JOHN URE OR A PURELY GETTING-TO-KNOW-YOU MEETING (TO DISCUSS FISHING?) BETWEEN MR RIDLEY AND DR CAMILION. THE LATTER OF COURSE CORRESPONDS TO LORD CARRINGTON (WHILE ENRIQUE ROS, WHOSE NOSE MUST NOT BE PUT OUT OF JOINT, SUCCEEDS CAVANDOLI) AND HE IS A TOUGH AND VERY AMBITIOUS NATIONALIST POLITICIAN. I FEAR NEITHER OF THEM (SINCE ROS IS ALSO, DESPITE A BLAND EXTERIOR, AT LEAST AS NATIONALIST AS ORTIZ DE ROZAS) WILL SHOW CAVANDOLI'S WILLINGNESS TO BEAR SLINGS AND ARROWS FOR WHAT HE ONLY PRIVATELY KNOWS TO BE POTENTIALLY FRUITFUL. FOR BOTH, IF WE ARE NOT OBSERVABLY FORWARD-MOVING AND PREPARED TO TALK WITH CONTENT: THE CONCLUSION WILL QUITE RAPIDLY BE THAT WE

ARE TRYING TO BAMBOOZLE THEM AND, BEHIND THIS SMOKESCREEN,
HAVE OPTED FOR DEFIANCE.

3. I REALISE THAT THIS IS ONLY ONE OF MANY PREOCCUPATIONS FOR
MR RIDLEY AND FOR SOUTH AMERICAN DEPARTMENT. BUT I SHOULD BE
FAILING IN MY DUTY IF I DID NOT MAKE IT CLEAR THAT, IN MY VIEW,
HE AND YOU MUST GET AWAY FROM DRIFT, IF THINGS ARE NOT TO TURN
NASTY.

4. ON THE SPECIFIC POINTS FROM STANLEY TELNO RE OF JOHN URE'S
DATES AND THE QUESTION OF FLAGS, I HAD PLANNED TO LEAVE BUENOS AIRES
ON 14 JUNE, BUT COULD POSTPONE THIS IF NECESSARY. I WOULD SEE
NO OBJECTION TO REX HUNT'S IDEA OF ALL THREE OF US BEING IN THE
ISLANDS FROM 3-13 JUNE, BUT THIS DOES SEEM RATHER A BLUNDERBUS.
I AM DOUBTFUL IF HUNT'S IDEA OF LOANING YPF TANKERS TO STN COVERS
ENOUGH OF THE FLAG PROBLEM, BUT AM RESEARCHING THIS SEPARATELY.

SIGNED : ANTHONY WILLIAMS

CONFIDENTIAL

NNNN

SENT AT 06/1346Z JL/R. 10 AVEULLTA