

ANGLO-ARGENTINE MINISTERIAL TALKS ON THE FALKLAND ISLANDS: NEW YORK,
23/24 FEBRUARY 1981

Present:

Mr Nicholas Ridley MP (Minister of State)	Comodoro Cavandoli (Under-Secretary for Foreign Affairs)
Mr Williams (HMA Buenos Aires)	Sr Ortiz de Rozas (Argentine Ambassador in London)
Mr Ure (AUSS)	Comodoro Bloomer-Reeve (Chef de Cabinet)
Mr Temple (PS/Mr Ridley)	Col Balcarce (Malvinas Department)
Mr Bright (SAmD)	Sr Forester (Malvinas Department)
Mr Maclay (UKMIS New York)	Sr Ricardes (Argentine UN Mission: Interpreter)
Mr Penney (Research Department: Interpreter)	
Mr Monk (Falkland Islands Councillor)	
Mr Wallace (Falkland Islands Councillor)	

FIRST DAY, MONDAY 23 FEBRUARY: FIRST SESSION IN UK MISSION AT 10.45

1. Mr Ridley welcomed the Argentines and introduced his delegation. Comodoro Cavandoli reciprocated.
2. Mr Ridley said he was glad to have two of the Island Councillors present. It was important to bring them into our discussions with Argentina to an ever greater extent, since we had said that any future arrangements for the Islanders required their consent. On our part, the present negotiations took place without prejudice to our position on sovereignty over the Islands, about which we had no doubt. He hoped that the present conversations would be confidential except, of course, for what was agreed for the final communique.
3. Mr Ridley wished to describe developments on our side since the last talks with the Argentines in April 1980. Those talks had been helpful in giving a clear understanding of the position of each side. They had enabled us to discuss in London the best way forward for the Islands, and then to consult with the Islanders on our ideas. As we were committed to doing nothing which was not acceptable to the Islanders, the British Government had authorised him to visit the Islands to propose publicly certain ideas to them. These were designed to make progress in the dispute. In particular we wished to remove the causes of the economic blight of the Islands since the victims of the dispute were the Islanders themselves. During his visit, at the end of November 1980,

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he had had discussions with the Councillors, and public meetings in Port Stanley and throughout the Camp. He had put forward three possibilities. The first was a form of condominium, whereby Britain and Argentina would share the administration of the Islands. On all sides, it had been agreed that this was an unprofitable idea, and he did not wish to contemplate it further. The second proposal had been for what had become known as "leaseback". Essentially this would mean that the Islands would be transferred to Argentina in exchange for the simultaneous granting by Argentina of a long lease over the Islands to the UK. This would include rights to explore and exploit resources in the sea and the seabed. The idea had been discussed widely in the Islands, but Councillors had considered that it was not suitable for exploration with the Argentines. He was therefore not authorised to talk about it. The third proposal was for a freeze. This meant that both Britain and Argentina would put their sovereignty claims to the Falkland Islands on one side, without prejudice to these claims, for a specified period of time. That time would be used to develop the resources and commercial possibilities of the Islands and the seas around them. Councillors had considered this proposal, and by a large majority had asked for it to be pursued at the present negotiations. Mr Ridley then read the motion which had been adopted in the Legislative Council on 7 January.

ANNEX A

4. Mr Ridley repeated that he was glad that the Islanders were represented at these talks. He would invite them to comment in due course, but he expected them to include the point that his visit had only taken place recently, and that the Islanders generally considered that much more time was needed to consider such an important issue. After all, it was the Islanders' future that was being discussed. They would have to decide what form it should take and they should be allowed as long as they wanted to come to a decision.

5. Comodoro Cavandoli said he would like to hear the Islanders' comments, with as much detail as possible. Mr Monk said that Mr Ridley had described the essence of the Islanders' views very well. Of the three proposals Mr Ridley had put forward in the Islands, everyone had agreed that the condominium idea was a non-starter. Concerning "leaseback" he was certain that there was almost unanimous support in the Islands that Councillors should not consider it any further. The "leaseback" proposal was a way of ceding

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sovereignty; the Islanders were quite convinced that sovereignty belonged to Britain, so it was neither in their interests nor according to their wishes to pursue it. They had therefore decided, reluctantly, that the freeze offered the best conditions for their own future and for peaceful cooperation with Argentina. The freeze would be for a fixed period. It would not prejudice the sovereignty position of either side, but would allow the Islanders and the Argentines to get to know each other better, to develop off-shore resources in cooperation, and generally to provide a period of stability when each side could behave as good neighbours. Mr Wallace added that the motion adopted by the Legislative Council was the product of several weeks of serious debate. He emphasised that the Islanders did wish to achieve increased harmony with Argentina; they believed that the freeze was the only option at the present time which would enable them to achieve that harmony. The Island community had benefitted in many ways from increased contact with Argentina, but it had only been a short period, 10 years or so, that there had been any such contact at all. More time was needed. Mr Monk added that he and his Councillor colleagues deplored the small acts of vandalism against Argentina which took place from time to time in the Islands; they were not representative of public opinion.

6. Mr Ridley said that so far he had only given a factual account of developments since last April. He would like during the morning to set out the case for a freeze, which he believed was in everyone's interests. Comodoro Cavandoli said that he would welcome full details now, so that his side could consider their response.

7. Mr Ridley repeated that his presentation would be without prejudice to our sovereignty position. There was an almost unanimous view in the Islands that they needed a better relationship with Argentina. There were very few who did not want negotiations to continue. Indeed he would go further, and thought that Islanders generally wanted to end the dispute and find a solution which would allow everyone to live together. Perhaps he could add some personal observations. The Islands were unique. They had great scenic and ecological importance. But their importance to politicians was because they had a small population who maintained an economy through hard work and an almost unique way of life. Their existence was difficult. It was wrong to involve them in a dispute which made their lives yet more difficult. As Mr Monk and Mr Wallace had both just said, the Islanders wanted a good relationship with Argentina,

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but they were adamant that any precipitate change would bring total dislocation to the community. They needed confidence in the future, and time to develop their relationship with Argentina without a sense of threat. At the moment, they did not know whether the Argentines might press their claim or disrupt supplies at any moment. They needed a calmer environment and a more stable atmosphere. Hence the advantages of the freeze concept, both for the Islands and for Argentina, because it would allow confidence to grow. As to the period of such a freeze, he did not know what would be sensible. Fifty years had been mentioned as appropriate, but this would require discussion; it would need to permit exploration and exploitation of the maritime resources around the Islands.

8. There were precedents for such an idea. The clearest was the arrangement between Venezuela and Guyana which had temporarily solved their border dispute for 12 years, without prejudice to either side. Ten of those 12 years had passed, and the freeze had made a valuable contribution to stability. Also there were perhaps parallels in the arrangement El Salvador and Honduras had recently reached concerning their dispute. This in essence was the proposal he had to make; and he put it forward as a positive contribution to solving the dispute between our two countries.

9. Comodoro Cavandoli replied that he had listened very carefully. At this stage he would like to make two comments which he would wish to be clearly understood. First, he wanted to thank Mr Ridley and the Councillors for the efforts they had made to seek a way forward in the negotiations. The consideration and discussion on the British side must have required considerable effort. But secondly, he recalled that in April 1980 each side had set out its own position and the objectives it had for the negotiations. He had hoped sincerely that there would now have been a different response from the British side. The Argentine objective was basically a return of sovereignty. This was not being put forward. Moreover, he was disappointed and concerned that what Mr Ridley had just described had been the same as an FCO spokesman had mentioned a few days previously. The Argentine Government had not believed that the Foreign Office could speak thus, and had therefore not chosen the same channel to reply. He wished to say that he did not think that it was appropriate for the British side to express publicly the details of negotiations which had hitherto always been conducted confidentially. What the spokesman had said had produced an unhelpful reaction in Argentina.

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10. Comodoro Cavandoli wanted it clearly understood that the proposal to freeze the dispute was absolutely unsatisfactory to Argentine aims, wishes, and claims. Nor did it meet the requirements of the UN. His delegation believed that there were alternatives which could in some way take account of Argentine preoccupations. This was his aim in the present negotiations. But he did not wish to comment further at this stage, wishing to save his response in greater detail for the afternoon's session.

11. Mr Ridley repeated that we had been trying to find a way forward. We had to take account of the wishes of the Islanders; indeed they were paramount. The dispute was naturally between the Governments of the UK and Argentina, but inevitably the Islanders formed a third party to the dispute. So long as we maintained that their views were paramount, there had to be three parties. We had special obligations to them, because they were so few, and short of resources and means to defend themselves. They were a community to which both the UK and Argentina had special obligations. Indeed, during his visit one or two people had suggested that independence was a possible solution. But the vast majority had concluded that this was impractical for such a small community. They were too small to have their own independent future. Therefore he was repeating the commitment of the British Government to be bound by the wishes of the Islanders; the British Parliament would insist on this.

12. Mr Wallace was concerned by Comodoro Cavandoli's comment that the freeze did not offer any satisfaction to Argentina. Mr Ridley's proposals had been debated fully in the Islands. He considered that the object of the negotiations was to solve the problem in a way that was mutually acceptable. The Islanders did appreciate the position of the Argentine Government and people. But the Islanders were not able to compromise to the extent of abandoning their sovereignty. They would consider any suggestion for solving the problem which took account of the wishes of the Islanders.

13. Comodoro Cavandoli had some more small comments to make. Last April he had made clear that the future of the Islanders was of paramount importance to Argentina. The Argentines did not wish to inhibit their interests. Indeed the 1971 Communications Agreement and other agreements had been intended to produce a better understanding between Argentina and the Islands. Last

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April, Mr Monk had made an interesting comment; he had said that some of the actions of Argentina in the Falkland Islands had not been interpreted there as intended to help, but as intended to establish an Argentine presence. It had been in response to this comment that the Argentine delegation had suggested direct contacts between the Islanders and the Argentine Government, in order to remove any doubts by the Islanders of Argentine motives. He wanted it to be clearly understood that the interests of the Islanders were as important to the Argentine Government as to the British Government. As to the number of parties to the dispute, he agreed with Mr Ridley that technically there were two. The Argentines listened to the Islander delegates as a matter of priority; but they did not accept that there were three distinct parties.

14. Comodoro Cavandoli suggested an adjournment, reserving detailed comments for the afternoon session. He wanted the Islanders to have no doubts about Argentine concerns. Before dispersing, Mr Williams commented that a lot of discussion during this session had concerned timing. Time was one of the difficulties for the Islanders. Indeed, the proposal for a freeze was intended to make time. It would be useful if, during the afternoon session, we could receive clarification of how the Argentines proposed to meet the Islanders' need for more time.

15. The session ended at 12.20.

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FIRST DAY, MONDAY 23 FEBRUARY: SECOND SESSION IN UK MISSION AT 16.30

1. Comodoro Cavandoli wished to explain in detail why the freeze proposal was unacceptable. At the meeting in April 1980 he had explained the Argentine position in great detail. Since then, Argentina had waited patiently for progress, at great internal political cost; the issue of the Islands had the highest priority in Argentina. He had heard much about the paramountcy of the Islanders' wishes; but it was necessary to pay heed also to the Argentines' wishes. His Government had now been informed of Mr Ridley's three proposals. As he understood it, there was no basis for any further consideration of condominium. The Islanders did not wish to pursue leaseback. That left the freeze. Without in any way implying that either of the other two ideas would be acceptable, he had to say that the freeze was the least acceptable. In no way did it take Argentine desires into account. The constant factor in the negotiations (which the UN Resolution of 1976 urged both sides to pursue) was sovereignty. Last year he had said clearly that progress could be made on any aspect from the moment that a clear date was put forward for transfer of sovereignty. Mr Wallace had said that a solution would have to be acceptable to both parties; but the freeze met the Argentine desire in no way at all. The freeze had been presented as desirable to improve relations between Argentina and the Falkland Islands; the same consideration had been put forward in 1965 when negotiations first began. Now, 16 years later, we appeared to be back at the same point. He wished to make it absolutely clear that for the Argentine Government and people it was impossible to go back to square one. A year ago he had made it clear that the sovereignty question had to be resolved. He could not return to discussing economic questions without progress on sovereignty. At the April 1980 meeting, Mr Monk had set out his fears and doubts; the Argentines now had the record of his speech to the Falkland Islands Council in January, from which it was clear that he had either not understood what had been said last April, or had not conveyed it to the Islanders. Comodoro Cavandoli understood that fears did exist and that the Islanders needed to express them. But he could not understand or accept that Argentina's one requirement, sovereignty, should be ignored permanently. The British side had said that Islander wishes had to be taken into account; why could not Argentine wishes be taken into account?

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2. Argentina did not have overriding economic needs in the area. She was virtually self-sufficient in energy, and had enough fish. If there were movement on sovereignty, Argentina would accept her obligations to help develop the area's resources; but she would neither do it nor permit it to be done in the absence of a solution to the sovereignty question. There had been progress under the Communications Agreement, and progress would be possible on other fronts, as equal partners. But a solution to the sovereignty issue must come first. Argentine public opinion was very sensitive. Over the previous couple of months, the Argentine press had reported requests for embargoes on British companies like BOLSA and Shell, in order to press for a solution to the dispute. It was impossible for his Government to go on stalling in public about the progress in the talks, and any progress had to include the question of sovereignty. Moreover, although he understood the fears of the Islanders, would they not agree that the British community in Argentina had, by working together with the Argentines, made considerable progress in comparison with the situation of the Islanders?

3. Comodoro Cavandoli wanted to know what was envisaged for the end of a freeze period. Would Argentina be asked for another freeze? Indeed what connection was there between sovereignty and asking for a period of time during which each side could get to know the other better? There had already been a freeze in effect for 16 years. The freeze proposal showed that no effort had been made to understand the Argentine position. Argentina could not make any step forward in the negotiations without progress on the sovereignty issue. The two sides could not go on endlessly meeting in New York. Time for Argentina had now run out; these meetings could not continue year after year simply expressing views. He was convinced that there was a way and both sides must look for it. But from the British side there had to be concessions on sovereignty, not necessarily in giving it away, but in a preparedness to discuss it as a central aspect. On the Argentine side there was the best possible will. The Argentine Government were ready to use their country's potential to help the Islands. They had tried to be helpful; the only consequence was that third parties were benefitting from what the Argentine press were only too ready to call the Government's incompetence. To summarise, the freeze proposal was totally unacceptable, since it ignored the central Argentine wish and inhibited all the efforts which Argentina wished to make in the Islands. That was it; the Argentine elements were on the table.

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4. Mr Ridley said that he understood the Argentine point of view clearly. But it was not true that he had not taken seriously what Comodoro Cavandoli had said last year. The British had considered the question of sovereignty; moreover they did accept that Argentina required a resolution of the sovereignty dispute before embarking on further economic cooperation with the Islands. The three possible ways forward which he had set out in the Islands all related to sovereignty; that was how they were understood in the Islands. He had made it clear there that Argentina needed movement on sovereignty before it could cooperate economically with the Islands and the Islanders understood this. But the Islanders had preferred to keep sovereignty for the time being during the period of the freeze.

5. There was a distinction between the wishes of the Islanders and their interests. We were talking of their wishes. Comodoro Cavandoli himself had said that the wishes of the Islanders must not be ignored. They had expressed them clearly. We had to accept them. Argentina could not say that they were respecting the wishes of the Islanders in pursuing their claim to take over the Islands, because the Islanders had made it clear that that was not their wish. Also, it should be remembered that, although it was 16 years since talks began and 10 years since the Communications Agreement was concluded, it was only 10 weeks since the real debate about the Islands' future had begun there, during his visit. Comodoro Cavandoli had said there was strong pressure in the Argentine press for progress in the negotiations; he had to say that there was strong pressure in Britain that there should be no progress at all. But HMG had been prepared to try out a variety of proposals to solve the dispute; he wanted to ask Argentina to do the same. If what he had proposed this morning was unacceptable, Comodoro Cavandoli must say what would be acceptable. Then the Island Councillors could give their views; it was their future and in this matter their view was therefore more important than that of either the British or the Argentine Government.

6. Mr Monk said that for the first time a public discussion was taking place in the Islands on the whole sovereignty issue. Before Mr Ridley's visit Islanders had, of course, been well aware of the Argentine claim, but had never been asked to consider ceding sovereignty, because they had always thought that that was not on offer. Ten weeks ago they had been brought face to face with an entirely new situation. The whole concept of cession of sovereignty was too new for him to know what the Islanders final answer might be; they would need considerable time to think about it all, and to get to know the Argentines better. He could not see therefore what was so wrong /with

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with a freeze. As people gradually became accustomed to living close to Argentina, perhaps (he could not know) the electorate would give their representatives another mandate. Mr Wallace agreed that the Islanders had had only 2 and a half months to face up to the problem. Comodoro Cavandoli had said that Argentina wanted 'only' sovereignty; but that was the one thing Islanders believed was theirs. The aim of the negotiations was to achieve a solution; the Islanders proposed a freeze to that end. A freeze would be in everyone's interests. If that was repugnant to the Argentines, the onus was on them to put forward other possible solutions.

7. Comodoro Cavandoli was surprised to understand from Mr Monk and Mr Wallace that the dispute was new to the Islanders. For Argentina it had lasted for more than 140 years. When Mr Wallace asked for other ideas, he could easily reply that half of the equation should be the restoration of sovereignty. The other half was up to the Islanders. Mr Ridley had just said that the Islanders wished to remain British; if that was so, what would change in 10, 20, 30 or 50 years of freeze? In the freeze proposal, Argentina was being asked to collaborate in the economic development of the Islands. Argentina did not want the Islanders to be poor, and wished to develop their economy, but after 20 years of development under a freeze, why should their attitude to sovereignty have changed? The central question had two sides; one was sovereignty, the other was business. For the Islanders economic development had priority; for Argentina sovereignty. Could not the two parts be put together to reach a solution? But if discussion of sovereignty was rejected, the equation was incomplete and economic development impossible. If the Islanders did not want to discuss sovereignty for the period of a freeze, while at the same time Argentina had to make all the effort in economic cooperation, was that fair? Mr Ridley had said that there was a sovereignty content in each of the three proposals. The Argentines saw none in the freeze proposal. When Mr Wallace said that Islanders had considered Argentine wishes, he was amazed that they could then conclude that sovereignty should be left on one side. If they were on his side of the table, would Islanders accept a freeze? He entreated them not to put Argentina up against a wall.

8. Mr Ridley wanted to make it quite clear that the British Government had no doubt at all of the legality and strength of their title to the Islands. He had always said to the Islanders that the legal position was not in doubt.

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It would indeed be possible to go on resting on that position for all time. He was sure that Councillors would confirm that Islanders shared his view. When he talked about sovereignty and possible ways of meeting the Argentine claim, he did not wish to imply any doubt of our position, but rather he was, in a constructive spirit, seeking a solution to the dispute in the interests of the Islanders. The Islanders were quite right when they said that they were in a new situation since last November; this was not because of any change in the legal basis, but because we were trying to find a real solution. He believed the Islanders wanted to hear positive proposals from the Argentine side. When Comodoro Cavandoli said that half of a solution would be the "return of the Islands" to Argentina, what would the other half be for the Islanders?

9. Mr Monk emphasised that he and Mr Wallace had no mandate to enter into any discussion of the cession of sovereignty. He had no doubt that he had to say "no" at this time to any such proposal. Moreover, he could not see what the Islanders would gain out of any such cession; it would only be clear what they were losing. Indeed he could not see what economic gains could flow from leaseback or condominium which were not available under a freeze.

10. Mr Ridley asked again, what would the Islands get in return for sovereignty concessions. Comodoro Cavandoli answered, "todo" (everything). Mr Ridley asked him to be specific. Comodoro Cavandoli said that all the possibilities were there. The equation had two sides which needed to be taken into consideration. Mr Monk had asked what the Islanders would gain from "losing sovereignty"; the same question could be asked in reverse: what could they lose? He believed the economic future of the Islands was of the greatest importance. By not offering sovereignty concessions, the Islands would lose all the economic development Argentina could offer, and wanted to offer, to them. So in not putting anything on their side of the equation, they were losing the future as well as the present.

11. Mr Williams referred again to the new nature of the sovereignty problem for the Islanders. Until last November, there had been no suggestion by the British Government of any change in the sovereignty position. Of course the freeze dealt with sovereignty, even if it was only to put it off. In terms of new ideas, even the 10 years since the Communications Agreement had come into force was not long. The freeze idea was a proposal to use time

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constructively. It was better to provide time where necessary than not to solve the problem; he thought the Argentines' acceptance of the Pope's mediation in the Beagle Channel dispute indicated their acceptance of this principle. Comodoro Cavandoli understood, but for him there was one small difference; during the freeze, it was the Argentines who would have to make the effort on the economic side. There was no more time.

Mr Williams repeated how important time was. If the debate that had recently taken place in the Islands had taken place ten years before, any idea of sovereignty cession would have been rejected out of hand. Attitudes changed with time.

12. Sr Ortiz de Rozas said that it seemed that the Communications Agreement had failed, if it was only 10 years later that the Islanders realised that there was a problem over sovereignty. But he wanted to answer Mr Ridley's question, what his side meant by "todo". Once it had been agreed that sovereignty would be ceded, the Islanders could draw up their own list. The Islands would become the most spoilt part of Argentina; the Argentine Government would do everything to protect their interests; they would preserve their language, and their educational system; they would set up joint enterprises; they would finance the farms; they would do so many things. Indeed "everything". This was the message the Islanders must receive. The present situation would be reversed. The present reality was that the (admittedly British) population of the Falkland Islands was 8,000 miles from Britain, and the British Empire was almost gone. Britain was a European power, not a world power; British efforts to help the Islands would decrease, not because of lack of will but as a fact of life. By contrast, Argentina was the Islands' neighbour, and was a growing power in the area. In other words, the answer to Mr Monk was that the whole book of possibilities was open to the Islands.

13. Mr Monk did not want the Argentines to think the Islanders to be so foolish as not to realise that a dispute existed. They were only too aware of their historical and geographical position. But the question of an actual cession of sovereignty was only 10 weeks old. The Argentine requirement sounded like a store-keeper giving away both the key and title deeds to his shop. Why was it not enough just to give away the key, as in the freeze proposal? Sr Ortiz de Rozas asked what the key was? Mr Monk said it was the willingness to cooperate in commercial and economic development. But Sr Ortiz de Rozas did not understand the analogy. Argentina had no need for such cooperation; it would be for the Islanders' benefit.

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14. Mr Monk pointed out that one of the UN's basic principles was the right to self-determination. Why were the Argentines not prepared to accept the Islanders' rights to determine their own future? Sr Ortiz de Rozas said that the relevant UN resolutions referred to the principle of territorial integrity. Argentina's had been harmed. Mr Ridley said that the principle of self-determination was nevertheless overriding; whatever the Islanders wished to do was acceptable to the British Government. It was his view that Argentina should grant the same right of self-determination to the Islanders.

15. Sr Ortiz de Rozas thought there was a lack of comprehension in the UK, the Islands and Argentina about each other's motives in the dispute. The Argentine man in the street was convinced that the UK was interested solely in the oil potential. The UK said the Islanders must be protected; Argentina agreed. But self-determination came 150 years too late. Perhaps it would help if he explained why Argentina was attached to the Islands. At independence, Argentine territory had included also what was now Uruguay, Bolivia, Paraguay, and Southern Peru. These parts had been lost, because they had wanted to break away; Argentina had allowed them self-determination and had never contested their independence. No blood had been shed. But the Islands had been taken away by force. They had been Argentine for 23 years before the British took them. Mr Monk asked if Argentina would allow the Islands to go independent. Sr Ortiz de Rozas said why not, if the Islanders thought they could survive. Mr Ridley asked whether there would really be no Argentine objection? Sr Ortiz de Rozas believed they would not be viable, so such talk was unrealistic. The dispute over the Islands was tragic, because relations between Britain and Argentina were so close. The history of those relations was one of very close friendship and recognition by the UK of Argentina's potential. The dispute was the one fly in the ointment. But the dispute was not an Argentine whim, it was a matter of national necessity. He sometimes wished the dispute were with an enemy: its solution would be much easier.

16. Comodoro Cavandoli said that 27 million Argentines would endorse what Sr Ortiz de Rozas had just said. Mr Ridley had said that the British Government would respect the Islanders' wishes; the Argentine Government would respect the wishes of their people. But if each side went on speaking like this, the problem would never be solved. The Argentines wanted to respect the wishes of the Islanders, but they had to be reasonable. The desire of 1800 Islanders was to remain British; the desire of 27 million Argentines was

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to regain the Islands. Nevertheless, these wishes were not necessarily contradictory. The first aspiration referred to the personal lives of the community, but the second sought to effect recovery of the Islands without harming the fundamental rights of the community. It must be possible to make progress.

17. But Mr Ridley considered that both sides needed to think through the implications of the day's discussions. The meeting therefore adjourned at 18.45.

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SECOND DAY, TUESDAY 24 FEBRUARY: FIRST SESSION IN THE ARGENTINE MISSION

(A drafting committee met at 10.00 to discuss a draft communique drawn up by the British side. After some discussion it was agreed that this draft should be looked at again in the afternoon in the light of the morning's talks. The plenary session began at 11.30).

1. Comodoro Cavandoli opened the session by welcoming the British delegation and proposing that the morning should be devoted to a plenary and that the communique should be discussed after lunch. He suggested that the drafting committee which had already met at 10.00 should meet again directly after lunch to agree a draft which could then be submitted formally to the final plenary session. Mr Ridley agreed.

2. Mr Ridley began by referring to the previous day's discussions. The British delegation had asked the Argentines what advantages there would be for the Islanders if the two Governments were to pursue the "equation" as proposed by the Argentines. When he had asked Comodoro Cavandoli what the Islanders would get out of any agreement under which the Argentine wish for sovereignty was met, the Comodoro had replied "todo" (everything). But it was not possible to have everything in this life: it was necessary to select what was most important. He had been pondering overnight on what he thought the Islanders wanted most and he now wanted to discuss this. He warned in advance that the Islanders' wishes might make a long list, but it was right to be as comprehensive as possible and then to allow all concerned to select what was possible. It was appropriate for him as leader of the British delegation to put forward these ideas and then to ask the Islanders to comment and add ideas of their own. He hoped that the Argentine delegation would feel able to comment on matters of detail as well as just saying "todo".

3. Mr Ridley thought that there were two things which the

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Islanders wanted above all else:

(i) they wanted to continue under their present democratic system of Government (and, equally important, they should feel that there was security in the continuation of that system: therefore, whatever arrangements might be agreed, it would be essential to have cast-iron guarantees that the agreement would last for as long as intended);

(ii) because he did not believe that the Islanders considered independence to be a viable solution and therefore another power had to administer them, they had high on their list the continuation of British administration under a British Governor and the British legal system.

These were the most important elements. Economic factors had lesser priority but they were still important. The Islanders wanted:

(i) to control fishing in their own territorial waters and to license third parties;

(ii) to enable the riches of the sea to be explored and exploited; and

(iii) to open up the Islands' potential for trading and investment.

There were bound to be other requirements but these were the basic essentials. He asked Mr Monk and Mr Wallace if they would like to comment.

4. Mr Wallace agreed that Mr Ridley had listed most of the things that would be necessary if an agreement were to be reached. Moreover, he had listed them in the right order. He stressed that the Islanders were primarily concerned with the structure of their way of life; that came before any economic benefit. Mr Ridley had touched on the Islanders' fears and suspicions that any agreement with Argentina would not be honoured for long. It would be essential for any agreement to have cast-iron guarantees that it would not be subject to the whims of future

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Argentine Governments. It would also be necessary for the Argentine Government to pledge not to exercise any pressure whatsoever on the Islands' community while the agreement was in force.

5. Comodoro Cavandoli thought that the equation was now complete. Each side understood what the other wanted. He agreed with Mr Ridley that "todo" was unattainable but he was confident that the Argentines would be able to offer enough to satisfy the Islanders requirements. He accepted that the list outlined by Mr Ridley was by no means comprehensive but it listed what was really important and made it clear exactly what the Islanders wanted. Had he been sitting on the other side of the table, he would have put forward the same list.

6. Comodoro Cavandoli recalled that, in last year's talks in New York, the Argentine delegation had said they were prepared to satisfy and respect the requirements of the Islanders, based on their own conception of their political future. He shared Mr Wallace's view that many of these conceptions had a highly subjective value. The way in which any agreement would be executed would have to be backed by aspects which were not necessarily material. He thought the Argentines understood perfectly what the needs of the Islanders were. In particular, he could understand their fears. But he thought that both parties could be confident that anything that was agreed between them would be observed. Throughout history and whatever form of Government had been in power, Argentina had always respected international agreements. He recalled that Ambassador Ortiz de Rozas had on the previous day listed the huge areas of territory that Argentina had lost through international agreements. If the Argentines did not respect agreements, they would not now be involved in mediation to solve the Beagle Channel dispute. He was prepared to assure the Islanders that Argentina would comply with any agreement as she had always done. He also saw why the Islanders would want to have as part of any agreement the Argentines' commitment not to exercise any pressure in future to effect a change in the situation. This was more difficult to guarantee, because it was always technically possible for one party to an agreement not to honour what had been agreed.

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But at the root of this problem was the question of mutual trust. Perhaps that was where the question of getting to know one another better was important. He reminded his audience that any agreement would be covered by the UN and that Argentina was not a country to challenge the UN's authority. He repeated that he understood the Islanders' fears and acknowledged that much had happened in Argentina which had surprised even the Argentines; but the Argentines would always abide by agreements they had signed.

7. Comodoro Cavandoli said he made this clarification because it was essential that the Islanders should know that these safeguards were being offered and be sure that they were adequate. The Islanders had to be sure that both sides would comply totally with the terms of any agreement. Details would have to be discussed both on the political and the economic requirements, but he understood perfectly the sort of guarantees that would be required and the Argentines were prepared to discuss these at any time. Of course, it was not possible for any agreement to run for ever, but limits could be discussed.

8. Mr Ridley said that he had one comment at this stage. Past attempts to get to know each other had often appeared to the Islanders to be a form of Argentine penetration into their way of life. The period of getting to know each other should ideally be accompanied by written agreements. The word "trust," which the Comodoro had used, had two meanings in English. The Comodoro had used it in the sense of trusting one another, but it also meant a legal arrangement which guaranteed the rights of both parties involved. The latter meaning was the more important for the Islanders. In any eventual settlement there would have to be some form of contractual legal arrangement; it was within that form of trust that confidence could grow. Perhaps one of the difficulties was that we had so far tackled the problem the other way round. Mr Wallace was grateful for the Argentine assurance but regretted that no details had been given as to how to put these sentiments into practical effect. He was also disappointed that the Comodoro should feel it necessary to talk even at this early stage about putting limits on any agreement.

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Finally he wanted to take the opportunity to say that there had been much talk during the discussion of the difficulties presented by Argentine public opinion, but he wanted it clearly understood that most Falklands' public opinion was opposed to any concessions on sovereignty to Argentina.

9. Comodoro Cavandoli apologised that he might have been misunderstood. The very word he had not wanted to use was "limit". In English, the word "limit" meant something with an end. The concept he had been trying to get over was more of a framework. What he really meant was that Argentina understood and in principle accepted the demands of the Islanders and what they expected for the future of their system. Each of the various points which had been raised would have to be discussed in detail so that there was no possible doubt about what the Islanders required and what the Argentines were prepared to do. The Argentines accepted that the Islanders had a number of immediate needs which should be put into writing as the basis for an agreement. Once any agreement had been finalised between the British and Argentine Governments, confidence would develop. Mr Wallace had referred to the Islands' public opinion and the Islanders' fears for their future but the Comodoro did not believe that these problems could not be solved. Argentina wanted sovereignty; but no Argentine wanted to modify or to affect the Islanders' lives, provided the sovereignty question was solved. The pressures to which the Island Councillors and the Argentine Government were subjected were not contradictory; it was necessary to try to agree a formula which was satisfactory to both sides. He firmly believed that the two sides were not on a collision course; for their part, the Argentines were prepared to work on the ideas which would lead to a solution. There had to be a solution; of that there was no doubt. As long as one could be found which preserved the Islanders' way of life, the question of economic development was easy to solve. The Comodoro made it clear that he was merely thinking aloud and that these were all questions which needed to be discussed at greater length. The essential point was to try to establish a basis for an agreement and the overall elements which it might include; in other words, to identify a framework now and fill in the details later.

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10. Mr Ridley said that when he had been in the Islands the previous year all sorts of questions had been asked and points of view put forward to which he had not known the answer. He thought it was easy to sit in New York and think one knew the answers. But different people had different questions and the Councillors would be subject to a barrage of them when they returned home. He therefore wanted to ask the Councillors if they had any further questions to put to the Argentines. However, neither Mr Monk nor Mr Wallace wished to say anything at that stage.

11. Comodoro Cavandoli thought that both delegations had spoken in a spirit of great trust and confidence. His views coincided exactly with those of Mr Ridley. When his delegation and the Islanders returned to Buenos Aires and Port Stanley respectively, there would be many questions which would need clarification. He believed that it was possible, reasonable, and logical that the Islanders should ask the Argentines as many questions as they wanted and that the Argentines should be able to do the same. Only in this way would there be an end to doubts. He therefore wished to reiterate what he had offered to Mr Monk during the talks conducted in April 1980, namely direct contact with the Argentine Government on any problems that arose. He wished however to make one thing clear; the Argentines would stand by all that had been said during the talks but it was necessary for the British delegation, including the Islanders, to understand that the Argentines could not make public all the details of what had been discussed. The Islanders had spoken of perhaps a thousand people who had doubts about what was being discussed; in Argentina there were at least 3 million. If the Argentine Government were to prevent a public debate on these matters in Argentina (and this was essential if the temperature of the dispute was to be kept low), then it was vital for the Argentines to maintain confidentiality. Mr Ridley understood the Argentines' difficulty but thought that it made the Councillors' position very complicated. How was it possible for them to distinguish between what was confidential and what was not. Mr Wallace said that they would naturally report in full to their colleagues. But if confidence was to be developed then he and Mr Monk would have to be able to

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say in public that the Argentine Government would do this or that. He too would be grateful for an explanation of where the confidentiality ended. Comodoro Cavandoli said that the Island Councillors could report in as much detail as they liked in the Islands. All that he wanted understood was that his Government would not be able to do the same. He had authority to assure the British delegation that the Argentines would comply with all that he had said. But the Argentine Government could not submit to public debate the question of what the Islanders did or did not have a right to. That sort of debate was no good for the Argentines and no good for the Islanders.

12. Sr Ortiz de Rozas thought that it would be a great help if the Islanders could actually draw up a list of what they would require from the Argentines in any agreement. Mr Ridley asked whether the Ambassador meant they should do so now. Sr Ortiz de Rozas said that he could not expect the Islanders to be able to take snap decisions like that. He acknowledged that these matters would have to be discussed in the Island Councils but he thought that if the Islanders were able to provide a list, however long, the Argentine Government would do all they could to answer their questions.

13. Mr Williams acknowledged that Comodoro Cavandoli had given a broad assurance that the Argentine Government would respect the Islanders' requirements. He thought it was a good broad statement of their position. But he wondered whether it would be possible for the Argentines to give even one example of what they intended. For example, the Islands at present were administered under the British legal system while the Argentines had a form of Code Napoleon. Would the legal system under any agreement be Argentine, British or a mixture? If the Argentines were able to answer this, he thought it would be a useful illustration of their good intentions. Sr Ortiz de Rozas said that this was a very valid question. He was not in a position to give an answer at this stage as this was one of many problems which would have to be looked at in great detail. But he thought a system could be agreed whereby the British legal system would remain for a period and then gradually be amended to conform with Argentine

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law. He knew that it was essential that the Islanders' civil and human rights should not be damaged by any change: the Argentines were therefore ready to discuss any aspect, no matter how small, of what an agreement might entail.

14. Mr Ridley stressed that he was not empowered to negotiate any of these matters at these talks. Perhaps, indeed, he had already exceeded his brief, but he thought that the discussions had been very useful and worthwhile. Mr Monk said that the Councillors were only empowered to discuss definitively the freeze option. The discussions that morning, therefore, had concerned only a hypothetical issue. He stressed that he did not wish to convey the implication that what he and his colleagues had heard today was unimportant. On the contrary, it was of enormous importance. The information provided by the Argentines would be very valuable indeed in the discussions he would be having when he returned to the Islands. But he thought there was no point in going into great detail now. If the Islanders were ever to agree to cede sovereignty, there would have to be many meetings before a formal agreement was reached. But the framework that the Argentine delegation had outlined was very useful.

15. Comodoro Cavandoli repeated how vital it was for the Argentines that what had been discussed in the talks should not become the subject of public debate in Argentina. He had to tread very carefully in Buenos Aires. The Argentines had made great efforts over the past year to maintain confidentiality of the previous discussions and they wished at all costs to preserve this confidentiality. He expressed his gratitude to Messrs Monk and Wallace for making the effort to understand the Argentine position. He knew it was very difficult for them. He hoped that on their return to the Islands they would have enough trust in the Argentines' motives to express their doubts and fears openly and to draw up the list Sr Ortiz de Rozas had suggested.

16. The meeting ended at 12.45.

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SECOND DAY, TUESDAY 24 FEBRUARY: SECOND SESSION IN ARGENTINE MISSION

(The drafting committee reconvened at 15.30 and agreed a draft communique to be considered at the plenary session which began at 17.15)

1. The Argentines had accepted in the morning drafting session the British proposal that the communique should be more detailed than that issued the previous year, and they were broadly content with the drafting. They requested that a reference to Island Councillors being present as members of the British delegation should be removed because of the difficulties this would give them in Argentina, and this was agreed, particularly as the Islanders themselves had no wish to be mentioned. The Argentines re-drafted the paragraph referring to their position in the talks to make it conform more with the layout of the British position in the preceding paragraph. They resisted the British suggestion that they should refer in some way to their acknowledgement of the Islanders' wish to preserve their traditional way of life, but eventually agreed to the format set out in the penultimate paragraph of the originally agreed communique. (Before this communique was issued formally, our Embassy in Buenos Aires was told that the Argentine Government were not happy with it, and in the end a much shortened version was issued as the agreed communique).

ANNEX B

ANNEX C

2. The final part of the talks began at 18.00. Mr Ridley said that he had three points he wished to raise. First, he wished to register formally his Government's disapproval at the continuation of the Argentine military station on Southern Thule. Second was the question of the rescheduling of LADE flights. He asked the Councillors if they wished to speak on this. Mr Wallace explained that more than half of the Islands' Public Works Department and many other employees had to turn out when a LADE flight was due. The rescheduling to Saturday had made life very difficult for many people. The Islands' Public Service was short-staffed anyway and this switch to Saturday from Friday

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had imposed a real strain on them. Comodoro Bloomer-Reeve said that the rescheduling was a technical problem only. There were only a limited number of planes available for the flight to the Islands and these were in full use in Patagonia during the week. He made it clear that this was not a question of ill-will on the Argentines' part but resulted from the need to service the whole area of Southern Argentina. He promised to look at the problem again, stressing that it was not in LADE's interest either to fly on a Saturday, as it imposed substantial extra cost in terms of payment of staff. Colonel Balcarce said that Mr Gozney had already raised the problem in the Consultative Committee in Buenos Aires. The Argentines understood the problem exactly and were looking into it. Mr Wallace hoped that a solution could be found soon and Comodoro Cavandoli agreed.

3. As the last of his points, Mr Ridley wondered if there was anything that needed to be said about the YPF jetty. Colonel Balcarce said that the last he had heard was that there were a few slight problems about wording. The Argentines were awaiting the British reply on some drafting points. Mr Williams said that the problems still at issue were tiny and were a matter of drafting only.

4. Comodoro Cavandoli closed the meeting by saying that the Argentines wished to continue to improve the programme of communication and consultation as soon as possible. The agreed communique was not going to square Argentine public opinion. The sooner the Argentine Government could be given an indication of how the Islanders' thinking was going, the better they would be able to keep their public opinion at bay and make progress. He asked the British side for their understanding and good-will and hoped that they would help to keep the pressure off the Argentine Government. Anything which might help to make progress would be helpful. Mr Ridley acknowledged the Argentines' difficulties. But there would be a general election in the Islands before October and these issues would obviously be a major part of the preceding debate. It was too soon to talk about the timing of future talks. Councillors Monk and Wallace would have to return to the Islands and discuss all the problems with their colleagues. No time

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would be wasted, but equally no date could be set for the resumption of talks. Comodoro Cavandoli asked whether he could be allowed to vote in the election.

5. Mr Ridley thanked Comodoro Cavandoli for his courtesy and hospitality and hoped that the talks would bear fruit. Comodoro Cavandoli said that despite the dispute it was always a pleasure to discuss matters with Mr Ridley. On behalf of his whole team, he wanted to thank the British delegation for their help and he too hoped that a solution could be reached which all could accept. He hoped to see Mr Ridley again. He would be changing jobs himself shortly but when a solution was reached, everyone who had been involved would be there to celebrate. Mr Ridley expressed his regret at Comodoro Cavandoli's departure from the MFA and wished him good fishing.

6. The meeting ended at 18.30.

South America Department
Foreign and Commonwealth Office
2 March 1981

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ANNEX A

MOTION ADOPTED BY THE FALKLAND ISLANDS LEGISLATIVE COUNCIL ON
7 JANUARY 1981

While this house does not like any of the ideas put forward by Mr Ridley for a possible settlement of the sovereignty dispute with Argentina, it agrees that HMG should hold further talks with the Argentines, at which this house should be represented and at which the British delegation should seek an agreement to freeze the dispute over sovereignty for a specified period of time.

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ANNEX B

ORIGINAL JOINT COMMUNIQUE AGREED DURING THE TALKS ON
24 FEBRUARY

The British and Argentine Governments held a meeting at Ministerial level in New York on 23 and 24 February 1981 to discuss the Falkland Islands question, within the negotiating framework referred to in the relevant resolutions of the United Nations General Assembly. This followed the talks the two Governments held in April, 1980.

The British and Argentine delegations were led respectively by Mr Nicholas Ridley, Minister of State at the British Foreign and Commonwealth Office, and Comodoro Carlos R Cavandoli, Under-Secretary of State at the Argentine Ministry of Foreign Affairs and Worship.

The leader of the British delegation reaffirmed that his Government had no doubt about its sovereignty over the Falklands. He then gave an account of his visit to the Islands in November 1980 and of the reaction of the Islanders to the various sovereignty options discussed with them. He went on to propose that the sovereignty issue should be frozen for a substantial number of years, with both sides reserving their position, to allow for the establishment of mutual confidence between Argentina and the Falkland Islanders and for the pursuit of joint projects of economic development in and around the Islands.

The leader of the Argentine delegation, for his part, reaffirmed the Argentine rights of sovereignty over the Falkland Islands. He took note of the account given by Mr Ridley of his visit to the Islands, of the various sovereignty options discussed with the Islanders and of their reactions. He went on to explain that the British proposal for a freeze on the sovereignty issue was unacceptable to the Argentine delegation, both because it did not take

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account of the primary Argentine requirement for the solution of the dispute and because it disregarded the request addressed to both parties by resolution 31/49 of the United Nations General Assembly to expedite negotiations with a view to resolving this dispute.

At the same time, while rejecting the British proposal, he made clear the Argentine Government's readiness to give careful consideration to any initiative leading to a favourable solution to the question of sovereignty.

The Argentine delegation took note of the British requirement that the Islanders' interest in preserving their traditional way of life should be respected.

Under the circumstances both delegations concluded that their respective Governments should be informed, and agreed that this question should be examined in further negotiations at an early date. The talks were conducted in a cordial atmosphere.

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ANNEX C

AGREED JOINT COMMUNIQUE ISSUED ON 26 FEBRUARY

The British and Argentine Governments held a meeting at Ministerial level in New York on 23 and 24 February 1981 to discuss the Falkland Islands question, within the negotiating framework referred to in the relevant resolutions of the United Nations General Assembly. This followed the talks the two Governments held in April, 1980.

The British and Argentine delegations were led respectively by Mr Nicholas Ridley, Minister of State at the British Foreign and Commonwealth Office, and Comodoro Carlos R Cavandoli, Under-Secretary of State at the Argentine Ministry of Foreign Affairs and Worship.

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