

ADVANCE COPIES: FALKLAND ISLANDS

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HD/DEF D
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HD/PLANNING STAFF
HD/HKGD

RESIDENT CLERK

38
(27)

Valid 8/4)

PS No. 10 DOWNING ST.

PS/CHANCELLOR
SIR K COUZENS
MR LITTLER
MR HAWTIN
MR PERETZ
MR ILETT
MR MCINTYRE

H.M.Tsy

Miss DICKSON (EIP DIV) D/En

DIO CABINET OFFICE

Mr Wade-Gery Cab Office
Mr Jeller, SAPU

(EISA)
TYP 11/15

Copies passed to Emergency Staff, MOD Sitcen and CinC Fleet)

GRS 330

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TO IMMEDIATE FCO

TELEGRAM NUMBER 1222 OF 9 APRIL

INFO UKMIS NEW YORK, UKDEL NATO, BOGOTA, BRASILIA, CARACAS, HAVANA, LA PAZ, LIMA, MONTEVIDEO, PANAMA CITY, QUITO, SANTIAGO, GEORGETOWN, BRIDGETOWN, KINGSTON, PORT OF SPAIN, MEXICO CITY, ASUNCION, SANTO DOMINGO, TEGUCIGALPA, BELMOPAN, SAN JOSE AND NASSAU

MOSCOW TELEGRAM NUMBER 185 (NOT TO ALL): FALKLAND ISLANDS :

SOVIET/ARGENTINIAN RELATIONS

1. I WONDER WHETHER WE COULD NOT MAKE SOME PROPAGANDA USE OUT OF THE BURGEONING ARGENTINE-SOVIET RELATIONSHIP. WE DO NOT HAVE THE FULL PICTURE HERE OF ARGENTINE/SOVIET RELATIONS. BUT I AM AWARE OF THE FIVE YEAR GRAINS AGREEMENT, SIGNED IN 1981 UNDER WHICH ARGENTINA HAS UNDERTAKEN A COMMITMENT TO SHIP 4.5 MILLION TONNES OF GRAIN AND SOYA BEANS A YEAR, AND I BELIEVE THAT THE CURRENT LEVELS OF TRADE ARE RUNNING MUCH HIGHER THAN THIS. REUTERS TODAY, FOR EXAMPLE, QUOTES A REPORT THAT 80 PERCENT OF ARGENTINE GRAIN EXPORTS ARE SOLD TO THE SOVIET UNION. THERE IS ALSO THE FIVE YEAR MEAT AGREEMENTS SIGNED

A REPORT THAT 80 PERCENT OF ARGENTINE GRAIN EXPORTS ARE SOLD TO THE SOVIET UNION. THERE IS ALSO THE FIVE YEAR MEAT AGREEMENTS SIGNED LAST YEAR UNDER WHICH THE SOVIET UNION IS TO IMPORT 60,000 - 100,000 TONNES OF BEEF. THIS TAKES ON THE VERY HIGH LEVEL OF MEAT EXPORTS REACHED IN 1980 (90,000 TONNES). ANOTHER RECENT REUTERS REPORT FORECAST THE FORMATION OF TWO JOINT COMPANIES BETWEEN ARGENTINA AND THE SOVIET UNION TO EXPLOIT THE FISH STOCKS IN THE SOUTHERN ARGENTINE SEA, BETWEEN THE FALKLANDS AND THE MAINLAND. OUTSIDE THE AGRICULTURAL SPHERE, I HAVE ALSO SEEN REPORTS RECENTLY OF DEALS BETWEEN THE ARGENTINE AND THE SOVIET UNION IN ENRICHED URANIUM FOR THE ARGENTINE NUCLEAR PROGRAMME.

2. ALL THIS SUGGESTS THE DEVELOPMENT OF A CONSIDERABLE DEGREE OF INTERDEPENDENCE BETWEEN THESE TWO UNLIKELY BEDFELLOWS. I WOULD HAVE THOUGHT THAT SOME USE MIGHT BE MADE OF THIS TO HELP TO REDUCE LATIN AMERICAN SOLIDARITY BEHIND ARGENTINA IN THE PRESENT CIRCUMSTANCES. DEPENDING ON LOCAL CIRCUMSTANCES, IT MIGHT ALSO BE USEFUL ELSEWHERE.

3. UNLESS THERE IS SOME OBJECTION I PROPOSE TO START USING THIS LINE WHEN I APPEAR ON ONE OF THE NATION-WIDE TV SHOWS ON MONDAY MORNING.

HENDERSON

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