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SUMMARY RECORD OF A CONFIDENTIAL MEETING BETWEEN THE MINISTER OF STATE AND THE ARGENTINE DEPUTY FOREIGN MINISTER AT GENEVA ON 10 AND 11 SEPTEMBER 1980

Present

The Hon Nicholas Ridley MP

Comodoro Cavandoli

Mr G W Harding (AUSS)

Comandante Bloomer-Reeve

INTRODUCTION

1. It was agreed at the outset that complete secrecy was essential to both sides. Mr Ridley was ostensibly on holiday with his wife at the Hotel du Lac at Coppet. Comodoro Cavandoli and Comandante Bloomer-Reeve were on their way back to Buenos Aires from Cyprus, where they had been attending an Argentine Regional Heads of Mission conference. It was generally supposed that they were in Rome at the time of the meeting. The discussion was spread over two days, the first in Mr Ridley's room at the Hotel du Lac and the second in a private room at the Noyal Hilton in Geneva itself.

BRITISH PROPOSAL

2. Mr Ridley opened the proceedings by saying that he had the authority of his Ministerial colleagues to put forward the ideas which he was about to explain but that anything agreed at this meeting would be ad referendum and would be subject to endorsement by the British Cabinet and, no less important, would have to be acceptable to the Islanders. He then proceeded to unfold the exploratory British proposals (which were subsequently written down in manuscript and handed over to the Argentines at the end of the first day's talks in the form set out at Annex A).

3. Mr Ridley laid emphasis on the hostility of the Islanders to any suggestion that they should be obliged to change their way of life or to any threat of uncertainty regarding their continuance under British administration in the foreseeable future. At the same time, they were worried about the economic decline of the Islands and felt insecure because the dispute with Argentina was not yet settled and the threat of an armed clash could never be

ruled out. It was therefore important to find a solution which, if it involved an eventual transfer of the administration of the Islands to Argentina, would put the date for such a transfer so far in the future that the negative element of fear would be removed. This was the purpose of having a very long lease-back, which he at first suggested should be of the order of 200 years. The lease might usefully be drafted in a flexible form, providing for regular review every five or ten years. The arrangement envisaged would mean that, while titular sovereignty over the Islands would pass immediately to Argentina, control over the lives of the people inhabiting them would remain entirely in British hands. But the Argentines would have increasing opportunities of influencing the Islanders and opening their minds to the benefits of closer relationship between them and Argentina, notably by means of the proposed Joint Council (paragraph 6 of Annex A) which would promote the economic welfare of the Islands and the development of their maritime zone in close partnership between Britain and Argentina.

#### ARGENTINE REACTION

4. Once he had seized the essential point that titular sovereignty would be transferred to Argentina immediately on signature of the Agreement, Comodoro Cavandoli said that his Government had been thinking along very much the same lines and indeed would have been ready to put forward a more or less similar proposal. The only difficulty he saw was in the length of the lease. We had to discard the extreme position on either side: thus, the idea of an indefinite lease or one for 200 years or more would not find favour with Argentine people, who would consider that they had not won anything real. Similarly, a period of say 20 years would have to be ruled out as being much too short for the Islanders. We ought to think of some median figure (Comandante Bloomer-Reeve suggested 75 years). Alternatively, we could so arrange things that the change in the internal administration of the Islands was gradual. For instance, this could be achieved by means of a gradual change in the citizenship status of the Islanders. All Islanders residing there and possessing British citizenship at the time of an Agreement could retain their British citizenship exclusively; their children born after the date of the Agreement /would be



would be entitled to dual Argentine and British citizenship; and their grandchildren would be entitled to purely Argentine citizenship. Mr Ridley intervened to say that there would be no objection from the British side if Argentina wished to offer Argentine citizenship to anybody who wanted it on the Islands, but it could not be agreed that children born to Islanders who were British subjects after the conclusion of an Agreement would cease to have British citizenship. The problem was complicated by the fact that H M Government were now about to introduce new nationality laws. This whole question was a difficult one and would require examination by experts. In any event, it would not be possible to contemplate a regime in the Islands which applied differently to Argentine and British citizens: during the time of the lease-back the administration would have to be British alone. Notwithstanding this, the British Government would be prepared to help the Argentines demonstrate to their public opinion that titular sovereignty had some meaning, for instance by allowing them to fly flags on public buildings in the Falklands and appoint a High Commissioner or Commissioner General and perhaps to have some other symbolic status conferred on their presence.

#### FURTHER DISCUSSION

5. The following points were made, mainly by the Argentine side, in further discussion of the British proposals:

(a) The Argentine Government do not at present have a very clear idea of what exactly it is the Islanders want, and particularly, what material advantages they might be prepared to accept in return for an eventual integration with Argentina. Comodoro Cavandoli himself would very much like to visit the Islands at some convenient moment to talk to the Islanders and hopefully to try to help dispel some of their illusions about Argentina and Argentine designs. They probably do not realise that, even if Britain were to hand over the Islands to Argentina tomorrow, the Argentine Government would not intend to extend to the Islands the same regime as obtained on the /mainland.

mainland. They would have to make the Islands into a special, independent province, with its own laws, its own type of government and its own Civil Service. (Somewhat on the pattern of the regime in Tierra del Fuego.)

(b) The Argentine Government were in something of a hurry to get negotiations underway with a real possibility of a solution in sight before President Videla hands over to President-designate Viola in March 1981. Conversely, since the policy of the ruling Junta will not change with the replacement of one President by another, it will not be important for the negotiations to be concluded in a hurry.

(c) It would be helpful to the creation of a propitious atmosphere if the British Government could undertake to remove the Royal Marines detachment as part of an agreement. Such a move would underline to the Islanders that in the view of the British Government there was now no further threat to them from Argentina and therefore no need for the Royal Marines to defend them, while on the Argentine side public opinion would be pleased.

(d) It should be stipulated in the terms of the lease that Argentine citizens should be entitled to buy or rent land on the Islands, with a view to showing how farming techniques could be improved there. Mr Ridley commented that such a right could probably not be conferred at the outset of the lease since otherwise the Islanders would be worried that Argentines would try to buy them up wholesale. It was a matter that would have to be dealt with by the Falkland Islands Government by internal legislation. It could be discussed at the regular reviews of the lease.

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(e) Though an Agreement covering the South Georgia and South Sandwich Islands might help the Argentine Government to sell the solution to their public opinion, it remained true that the Argentine people were not greatly preoccupied with the situation of the Dependencies.

#### NEXT STEPS

6. It was agreed that both Ministers would report back as soon as possible to their respective Foreign Ministers, who would be meeting in New York later in the month. Lord Carrington and Sr Pastor might then decide either that a further secret meeting should be held to discuss the details of an Agreement in greater depth or that sufficient grounds had been covered at this meeting to enable arrangements for a formal, open negotiation to be set in train. The first and most important step in this procedure would be for Mr Ridley to visit the Falkland Islands and discuss with the Islanders themselves the possibility of a lease-back solution. Only if they could be brought to agree to it would the British Government be ready to contemplate a formal negotiation, which would, of course, have to be conducted with no reference whatsoever to the present meeting. Both sides were agreed that the fact this meeting had taken place should never become public knowledge.

#### Distribution

PS

PS/Mr Ridley

Mr Harding

SAMD

HMA, Buenos Aires (Personal)

[Text of exploratory proposal handed by Mr Ridley in manuscript to Comodoro Cavandoli on 11 September 1980.]

1. Titular sovereignty over the Falkland Islands (Islas Malvinas) and their maritime zone would be transferred to Argentina, with effect from the date of signature of the Agreement.
2. Continued British administration of the Islands and their maritime zone, with a view to guaranteeing to the Islanders and their descendants the uninterrupted enjoyment of their way of life under British institutions, laws and practices, would be simultaneously assured by means of a lease-back to the United Kingdom for a period of 99 years. The terms of such a lease would be subject to periodic review, by agreement between the two parties.
3. The British and Argentine flags would be flown side by side on public buildings on the Islands.
4. The British Government would be represented by a Governor who, together with a locally-elected Council, would be responsible for the administration of the Islands and their inhabitants.
5. The Argentine Government would be represented by a Commissioner-General.
6. There would be a Joint Council to arrange co-operation over the economic development of the Islands and their maritime zone.