

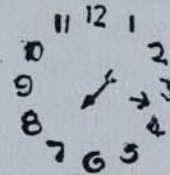
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11 MAY 1982

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FM FCO 101455Z MAY 82
TO FLASH UKMIS NEW YORK
TELEGRAM NO 377 OF 10 MAY
INFO FLASH WASHINGTON



YOUR TELNOS 691, 694 AND 695 : FALKLANDS

1. THANK YOU FOR THESE FULL REPORTS AND FOR YOUR STERLING EFFORTS WITH THE SECRETARY-GENERAL. I ENDORSE IN PARTICULAR YOUR INSISTENCE ON SMOKING THE ARGENTINES OUT ON THE QUESTION OF SOVEREIGNTY AND THE TERMS OF REFERENCE FOR NEGOTIATIONS ABOUT THE FUTURE OF THE ISLANDS.

2. IF THE SECRETARY-GENERAL'S EFFORTS WERE TO COLLAPSE BECAUSE ARGENTINA INSISTED ON A TRANSFER OF SOVEREIGNTY OR WOULD NOT AGREE TO A SENSIBLE PROVISION ABOUT WHAT WOULD HAPPEN IF NEGOTIATIONS HAD NOT SUCCEEDED BY A TARGET DATE, ARGENTINA WOULD CLEARLY HAVE BEEN UNREASONABLE AND WE THINK THAT WE COULD DEFEND OUR POSITION SATISFACTORILY IN PARLIAMENT AND INTERNATIONALLY. YOU SHOULD CONTINUE FIRMLY TO REPRESENT OUR POSITION ON BOTH MATTERS. THE QUESTIONS OF THE DEPENDENCIES AND OF THE TRADITIONAL ADMINISTRATION MAY, AS YOU SAY, BE THE ONES WHERE THE CRUNCH WILL COME, BUT THEY PRESENT VERY GRAVE DIFFICULTIES INDEED. THEY WILL HAVE TO BE CONSIDERED IN RELATION TO THE POSITION REACHED ON ALL OTHER ELEMENTS IN A POSSIBLE AGREEMENT, AND MEANWHILE YOU SHOULD GIVE NO (NO) INDICATION THAT THERE CAN BE ANY CHANGE OF POSITION.

3. MEANWHILE, THE FOLLOWING COMMENTS ON POINTS RAISED IN YOUR TELEGRAMS ARE PROVIDED AS GENERAL GUIDANCE FOR YOUR MEETINGS WITH THE SECRETARY-GENERAL TODAY.

DEPENDENCIES

4. IN ADVOCATING OUR POSITION, YOU SHOULD ARGUE THAT THE STATUS QUO IN THE DEPENDENCIES IS AS IT WAS BEFORE THE UNLAWFUL OCCUPATION AND THAT OUR PURPOSE IN THE PRESENT NEGOTIATIONS IS TO DEAL WITH THE NEW SITUATION CREATED BY THE CONTINUED UNLAWFUL OCCUPATION BY THE ARGENTINIANS OF THE FALKLAND ISLANDS THEMSELVES. (THIS LINE OF ARGUMENT IS EASIER TO SUSTAIN IN RELATION TO AN INTERIM AGREEMENT THAN IN RELATION TO LONG-TERM NEGOTIATIONS. IF UNEXPECTEDLY THE SECRETARY-GENERAL OR THE ARGENTINES WERE TO SUGGEST THAT THE DEPENDENCIES BE COVERED IN THE NEGOTIATIONS ABOUT THE FUTURE BUT NOT IN THE OTHER PROVISIONS OF THE INTERIM AGREEMENT, YOU WOULD NO DOUBT UNDERTAKE TO REPORT THE SUGGESTION BUT ENTIRELY WITHOUT COMMITMENT).

SOVEREIGNTY

5. YOU SHOULD CONTINUE TO INSIST ON TWO MAJOR POINTS OF SUBSTANCE: (A) THAT THE TEXT OF THE INTERIM AGREEMENT MUST NOT PREJUDICE THE OUTCOME OF NEGOTIATIONS ABOUT THE FUTURE, AND (B) THAT THE ARGENTINES MUST STATE CLEARLY TO THE SECRETARY-GENERAL THAT THEY ACCEPT THIS AND WILL DESIST FROM DECLARING THE OPPOSITE POSITION IN PUBLIC.

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6. THE LANGUAGE FOR AN INTERIM AGREEMENT SUGGESTED IN PARA 9 OF YOUR TELNO 694 WOULD BE VERY SATISFACTORY FROM OUR POINT OF VIEW AND YOU SHOULD STAND ON IT TODAY. (LATE) IF ARGENTINA WILL NOT CONTEMPLATE IT, WE MAY HAVE TO CONSIDER IN THE CONTEXT OF AN AGREEMENT SATISFACTORY ON OTHER MATTERS, A DIFFERENT VERSION OF THAT LANGUAGE: OR A COMPLETELY NEUTRAL FORMULA, SUCH AS THAT THE LONG TERM NEGOTIATIONS WOULD BE ABOUT THE FUTURE OF THE ISLANDS, COUPLED WITH AN ARGENTINE STATEMENT ON THE LINES OF 5(B) ABOVE).

INTERIM ADMINISTRATION

7. IN CONTINUING TO INSIST THAT THE COUNCILS MUST REMAIN IN OPERATION, YOU SHOULD CONTEST THE UNSUPPORTED AND ERRONEOUS ARGENTINE ASSERTION THAT THE INVOLVEMENT OF THE ISLANDERS IN THE INTERIM ADMINISTRATION WOULD PREJUDGE THE OUTCOME OF NEGOTIATIONS ABOUT THE FUTURE. YOU SHOULD ALSO MAKE WHAT PLAY YOU CAN WITH THE THOUGHTS THAT TO EXCLUDE A PEOPLE FROM THE ADMINISTRATION OF THEIR OWN AFFAIRS IS HARDLY CONSISTENT WITH THE SPIRIT OF THE UN; AND THAT WE HAVE DEVELOPED THE COUNCILS IN ACCORDANCE WITH UN CHARTER OBLIGATIONS (ARTICLE 73(B)) AND THAT IT WOULD BE CONTRARY TO THE SPIRIT OF THE CHARTER TO DISMANTLE THEM IN THE ABSENCE OF ALTERNATIVE ARRANGEMENTS FOR THE EXPRESSION OF THE VIEWS OF THE ISLANDERS.

WITHDRAWAL PERIOD.

8. WE CONTINUE TO BELIEVE THAT 14 DAYS SHOULD BE LONG ENOUGH FOR TOTAL ARGENTINE WITHDRAWAL. IN ANY CASE, WE COULD NOT ACCEPT ANY TREACHEROUSLY ELASTIC PHRASE ALLOWING DELAYS BEYOND THE LIMIT BECAUSE OF 'BAD WEATHER OR OTHER FACTORS'.

VERIFICATION OF WITHDRAWAL.

9. THIS IS DIFFICULT. PLEASE TELL THE SECRETARY-GENERAL THAT A DECLARATION BY EACH SIDE AT TIME 'T' OF SHIPS AND (REPEAT AND) FORCES IN THE ZONE, AND DAILY DECLARATIONS OF WHAT HAD BEEN WITHDRAWN, WOULD HELP. BUT GIVEN ARGENTINA'S INVASION IT IS A LOT TO ASK US TO ACCEPT THAT SHE SHOULD VERIFY HER OWN WITHDRAWAL. YOU SHOULD ASK THE SECRETARY-GENERAL WHETHER HE THINKS THAT THE UN COULD USE SURVEILLANCE AIRCRAFT PROVIDED BY A MEMBER STATE (YOU WILL SEE THAT THIS POSSIBILITY, WHICH MAY DEPEND ON WHETHER ADEQUATE SURVEILLANCE AIRCRAFT CAN BE BORROWED FROM AN ACCEPTABLE COUNTRY LIKE SWEDEN, IS ALSO RAISED IN A SEPARATE TELEGRAM IA AM SENDING TO WASHINGTON).

SIZE OF ZONES FOR WITHDRAWAL.

10. WE ARE CONTENT WITH THE ARGENTINE SUGGESTION OF 150 NAUTICAL MILES RADIUS. YOU HAVE DISCRETION TO ACCEPT 200 NAUTICAL MILES FOR A ZONE ROUND THE FALKLAND ISLANDS, IF THAT IS RAISED AGAIN. (INDEED, WE PERHAPS COULD ACCEPT A LARGER ZONE ROUND THE FALKLAND ISLANDS, SUBJECT TO FURTHER CONSIDERATION HERE.)

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LIFTING OF ZONES.

11. YOU MAY SAY THAT THE POSSIBILITY OF THEIR BEING LIFTED AT TIME 'T' IS UNDER POSITIVE CONSIDERATION HERE.

LIFTING OF ECONOMIC MEASURES.

12. YOU MAY SAY THAT WE THINK THAT THE UK AND THE OTHER EC MEMBERS COULD AGREE TO LIFT ECONOMIC MEASURES AT TIME 'T'.

TARGET DATE FOR CONCLUSION OF FUTURE NEGOTIATIONS

13. WE SEE NO REASON WHY AN INTERIM ARRANGEMENT SHOULD NOT SAY THAT:

A) NEGOTIATIONS WILL START IMMEDIATELY TO PRODUCE AN AGREEMENT BY 'THE TARGET DATE OF 31 DECEMBER 1982';

B) THE INTERIM ARRANGEMENTS WILL REMAIN IN FORCE UNTIL IMPLEMENTATION OF A DEFINITIVE AGREEMENT ABOUT THE FUTURE OF THE ISLANDS;

C) THE SECRETARY-GENERAL SHOULD REPORT JUST BEFORE THE TARGET DATE ABOUT NEXT STEPS.

14. THE IDEA FOR STARTING LONG TERM NEGOTIATIONS NOTIONALLY AT TIME 'T' WOULD BE PRESENTATIONALLY DIFFICULT FOR US AND YOU SHOULD MAINTAIN A RESERVE ON IT.

VENUE FOR NEGOTIATIONS.

15. WE CAN ACCEPT NEW YORK STATE OTHER THAN NEW YORK CITY ITSELF.

INVOLVEMENT OF JUNTA IN ARGENTINE ADHERENCE TO AN AGREEMENT.

16. YOU WERE RIGHT TO ARGUE THAT ALL THREE MEMBERS OF THE JUNTA SHOULD SIGN THE AGREEMENT. BUT IF THAT LATER PROVED TO BE A STICKING POINT, WE COULD REVERT TO THE SUGGESTION IN PARAGRAPH 6A OF MY TELNO 371, THAT ARGENTINE ADHERENCE TO ANY AGREEMENT MUST CLEARLY BE FULLY BACKED BY THE JUNTA. THIS COULD IMPLY A PUBLIC STATEMENT BY ALL 3 MEMBERS.

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FALKLANDS SELECTIVE

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HD/ECQ(E)

HD/DEF DEPT

HD/PLANNING STAFF

HD/OND

HD/NEWS DEPT

HD/ERD

HD/PUSD

PS

PS/MR HURD

PS/MR ONSLOW

FS/PUS

MR BULLARD

SIR I SINCLAIR

MR GIFFARD

MR WRIGHT

MR GILLMORE

MR URE

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3

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