PS TO PM 10, DOWNING STREET.

GRS 750 CONFIDENTIAL DESKBY Ø3Ø83ØZ FM UKMIS NEW YORK Ø3ØØ48Z DEC 81 TO IMMEDIATE FCO TELEGRAM NUMBER 1430 OF 2 DECEMBER. INFO IMMEDIATE UKREP BRUSSELS WASHINGTON, PRIORITY UKMIS GENEVA UKDEL OECD. PARIS (FOR EVANS).

MY TEL NO 1414: GLOBAL NEGOTIATIONS.

- 1. HAVING VISITED WASHINGTON OVERNIGHT AND DISCUSSED GLOBAL NEGOTIATIONS WITH SECRETARY HAIG, MRS KIRKPATRICK REPORTED TO THE KITTAN! GROUP THIS AFTERNOON THAT THE US POSITION WAS ESSENT! ALLY UNCHANGED. THE UNDERSTANDINGS SET OUT BY PRESIDENT REAGAN AT CANCUN REMAINED VALID. THE FIRST NON-PAPER, OF 16 NOVEMBER (MY TEL NO 1293) HAD BEEN ONE SHE WOULD HAVE FELT COMFORTABLE PRESENTING AND DEFENDING IN WASHINGTON. SHE WOULD HAVE GIVEN IT A 50 PERCENT CHANCE OF ACCEPT-ANCE. SHE HAD NEVER SO CHARACTERISED ANY SUBSEQUENT DOCUMENT (SUCH AS THE LATEST TEXT, IN MY TEL NO 1406). THE US REMAINED READY TO TAKE PART IN GLOBAL NEGOTIATIONS PROVIDED A SUITABLE BASIS COULD BE FOUND. BUT THE US FORMAL RESPONSE MUST DEPEND ON A MODIFIED MEETING OF THE NSC WHICH WOULD MEET PROBABLY BUT NOT AUTOMATICALLY ON MONDAY. MRS KIRKPATRICK EXPRESSED CONCERN THAT NO ORGANISED GROUPING EXISTED AMONG DEVELOPED COUNTRIES IN NEW YORK TO COUNTER-BALANCE THE G.77. 2. KITTANI RESPONDED THAT THERE WAS LITTLE DIFFERENCE BETWEEN THE TEXTS OF 16 NOVEMBER (MY TEL NO 1293) AND OF 38 NOVEMBER (MY TEL NO 1486). WE WERE EXAMINING THE LATTER AND COULD NOT RETRACE OUR STEPS. BEDJACU! PROPOSED THAT THE KITTAN! GROUP ADJOURN UNTIL TUESDAY 8 DECEMBER. THE TEXT OF 16 NOVEMBER HAD NO STANDING. THE US HAD TAKEN PART IN DISCUSSION OF THE TEXT OF 30 NOVEMBER. HE HOPED FOR A POSITIVE AND FINAL REACTION. BEDJAOU! RESISTED PRESSURE TO REVEAL THE G. 77 POSITION, SAYING THAT THERE WAS AS YET NO DECISION OF SUBSTANCE. MRS KIRKPATRICK SAID THAT IT WAS CURIOUS THAT NOBODY ELSE WAS PREPARED TO SPEAK.
- 3. KITTAN! THEN PUT TO OTHER NON-G77 COUNTRIES, STARTING WITH THE COMMUNITY, THE QUESTION WHETHER WE COULD LIVE WITH THE TEXT IN MY TEL NO 1406. I SAID THAT IT WAS ON RECORD THAT THE SHORT TEXT APPROACH WAS NOT IDEAL. BUT WE WERE GENUINELY INTERESTED IN GETTING GLOBAL NEGOTIATIONS STARTED. COMMUNITY CAPITALS WERE LOCKING AT THE 3Ø NOVEMBER TEXT AS A WHOLE. THIS EXAMINATION WAS NOT FULLY COMPLETE. I HOPED IT WOULD BE SHORTLY.
- 4. JAPAN GAVE THE TEXT A FAIR WIND WITHOUT COMMITMENT. BUT THEY WANTED TO KNOW THE POSITIONS OF OTHERS. CANADA COULD LIVE WITH THE TEXT. AUSTRALIA SAW LITTLE DIFFERENCE BETWEEN THE TWO TEXTS, PARTICULARLY WHEN THE IMPORTANCE OF GN'S AND SHORTAGE OF TIME WERE TAKEN INTO ACCOUNT. WE SHOULD BE ABLE TO WORK TOWARDS A GENERALLY AGREEABLE TEXT. THE SWEDES COULD ACCEPT THE LATEST TEXT. THE AUSTRIANS WANTED TO BE SURE THAT THE GTT COULD. CHINA COULD ACCEPT A TEXT ACCEPTABLE TO ALL. /5. IN