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Foreign and Commonwealth Office

London SW1A 2AH

9 March 1983

1) W. J. M.

2) Prime Minister

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Dear Sir,

Argentine Attitudes: Official Comment

Argentine policy remains uncompromising, not only on issues directly connected to the Falklands but also in areas where we are trying to work for the normalisation of relations. The Foreign and Commonwealth Secretary believes that there would be value in doing more to show that the impasse is not of our making, by giving wider publicity to the unhelpful words and deeds of Argentine leaders.

We have therefore prepared a list of bellicose statements by Argentine leaders and examples of Argentine intransigence in the last few months. I attach a copy of these lists: Mr Pym hopes that they will be of use to Ministers who have opportunities to remind domestic or foreign audiences of continuing Argentine obduracy.

I am copying this letter with enclosures to the Private Secretaries of other members of the Cabinet and to the Chief Whip.

Yours ever

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

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ARGENTINA/FALKLANDS: BELLICOSE STATEMENTS AND FRUSTRATION OF ATTEMPTS TO NORMALISE RELATIONS

A. Bellicose statements

1. On 24 January, the Argentine Acting Permanent Representative to the UN sent the Secretary-General a letter which stated that Argentina was 'continuing strictly to observe the de facto cessation of hostilities'. But the letter gave no assurance about the future. Argentina has consistently refused to declare a definitive cessation of hostilities or to renounce the use of force; and members of the Junta, other military figures and politicians have repeatedly uttered statements of hostile intent. The following are but a selection:

(a) On 15 December 1982, Admiral Franco, the Commander-in-Chief of the Navy, said:

'Everyone can rest assured that, no matter how much time elapses, we will not give up the idea of raising our flag on the Malvinas, South Georgia and the South Sandwich Islands archipelago. We have this duty to the nation and to the Argentine heroes who died during the war. Justice demands it.'

(b) On 30 December 1982, General Hughes, Commander of the Air Force and a member of the Junta, said:

'The Argentine Air Force reiterates its solemn promise to recover our southern archipelagoes.'

(c) Also in December 1982, Major Doughlin of the V Army Corps said:

'The V Corps is getting ready for another war profiting by the situations already experienced.'

(d) On 4 January 1983, Dr Aguirre Lanari, the Argentine Foreign Minister, said:

'We offer the assurance of Argentina's unyielding will to continue to fight for the recovery of the Malvinas.'

(e) A number of politicians from different parties signed in January a document which stated:

'The 14 of June was only a de facto ceasefire. The war remains unfinished. We Argentines reserve the imperative right definitively and totally to recover our Islands by the means and ways which most suit us.'

(f) On 4 January, Sr Francisco Manrique, Leader of the Federal Party, said:

'One must not discount a second armed conflict over the Islands.'

- (g) Also on 4 January, Sr Blas Alberti, Leader of the Popular Leftist Front, said:
'We agree with an armed conflict which would definitively recover the Islands.'
- (h) On 13 February, Rear Admiral Benito Moya, Commander of the Naval Air Force, said:
'We are ready to fight again in any territory which the country may assign us' and 'the Naval airmen are proud of what they did and would not hesitate to do so again'.
- (i) On 23 February, General Nicolaidis said, during a visit to the Infantry School:
'The Argentine Army has fought and lost in a battle. It has not lowered its head. To the degree that its people can understand and comfort it, it will be able to increase its spiritual and material strength to absorb errors and experiences, to strengthen too the virtues it has demonstrated and prepare to return another day.'
- (j) On 25 February, Sr Jorge Abelardo Ramos, Popular Leftist Front, said:
'It is necessary to suspend the payment of the foreign debt to British banks until the imperialist invaders abandon the Malvinas Islands ... the conflict with Great Britain [should] continue in defence of our territory ... we are in favour of expropriating British property and building nuclear submarines.'
- (k) On 28 February, Sr Julio Martinez Vivot, Minister of Defence, said:
'Diplomacy is not the only option Argentina has for recovering the Malvinas Islands ... There has been only a de facto cessation of hostilities and this is just a circumstance that, we hope, will lead to the recovery of the Malvinas Islands.'

ARGENTINA/FALKLANDS: BELLICOSE STATEMENTS AND FRUSTRATION OF ATTEMPTS TO NORMALISE RELATIONS

B. Normalisation of relations: Argentine intransigence

1. Britain has made several moves to improve relations in the economic, commercial and financial spheres, in the hope that some normalisation of relations could be achieved. In September 1982, there was agreement on the reciprocal lifting of financial restrictions. However, the Argentine law 22591 of May 1982, which established that Argentine overseers would supervise the activities of British companies, remains in place. Moves which would have led to some relaxation of implementation of the law were rejected by the Junta.
2. During the indirect contacts in September 1982 which led to the agreement on the lifting of financial restrictions, we pressed for discussion about the restoration of air services. But the Argentines consistently refused to discuss the matter.
3. In October 1982, the Presidency of the European Community made a demarche to the Argentines to seek the restoration of normal commercial and economic relations between members of the Community and Argentina and the removal of discriminatory measures. Argentina's reply suggested that there was no discrimination. In December, the Community made a further demarche, making it clear that it had in mind restrictions against one member of the Community, Britain. The Argentines' reply of 1 March was unhelpful and evasive. We are continuing to press for removal of the restrictions.
4. The Foreign Minister stated on 16 February that he did not reject the possibility of the Argentine Government expropriating land owned by British interests in Argentina.
5. Payments to Argentine Railway pensioners in the UK have since October/November 1982 been received with apparently arbitrary deductions of tax. This is a new and unwelcome development.
6. Since July, we have made clear to the Argentines on a number of occasions through the Swiss and Brazilian Governments and the International Committee of the Red Cross that we would be prepared to facilitate repatriation of their dead. Argentina has not so far accepted our offer, but it is still open, even after the reburials in February. Their treatment of their war dead on the Islands was abhorrent.
7. There are now press reports that a group of Argentine veterans of the campaign are trying to visit their graves on the Islands. Notwithstanding simultaneous press reports that Britain has 'refused' permission for this, the Argentines have not put in a request of any sort. Consideration of any such approach would be helped if the Argentines had declared a cessation of hostilities and if relations between the two countries were more normal - though this should not be taken as a commitment to agreeing to a visit in any circumstances.