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TO PRIORITY FCO

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INFO PRIORITY UKMIS NEW YORK, WASHINGTON, PARIS, . ROUTINE resolution -ATHEMS, BONN, BURSSELS, COPENHAGEN, DUBLIN, THE HAGUE, LUXEMBOURG, UKREP BRUSSELS.

INFO SAVING UKDEL NATO.

YOUR TELNO 553. TO UKMIS NEW YORK: FALKLANDS AT UNGA.

1. FOREIGN MINISTER WAS NOT ABLE TO SEE ME UNTIL THIS MORNING, BY WHICH TIME HE HAD RECEIVED A REPORT OF YOUR CONVERSATION WITH CAGIATI ON SEPTEMBER 30 (YOUR TELNO 274).

- 2. I TOOK ANDREOTT! THROUGH OUR POSITION. THE FALKLANDS WERE A VITAL ISSUE FOR US: WE COULD NOT PRETEND THAT THE INVASION HAD NOT TAKEN PLACE, WE EXPECTED OUR FRIENDS TO UNDERSTAND THIS, AND WERE DISAPPOINTED THAT ITALY SHOULD BE PROMOTING A VOTE ON LINES DIFFERENT FROM OUR OWN. THE ARGENTINE DRAFT RESOLUTION, ALMOST IDENTICAL TO LAST YEAR'S , STILL CALLED FOR NEGOTIATIONS ABOUT SOVEREIGNTY, AND THAT WAS UNACCEPTABLE TO US. IT ALSO PREJENGED THE OUTCOME IN THE SECOND PREAMBULAR PARAGRAPH ABOUT QUOTE COLONIAL SITUATIONS UNQUOTE. THE BEST POLICY FOR THE TEN WOULD BE TO DECIDE ON ABSTENTION NOW. ANY OTHER COURSE WOULD HAVE A SERIOUS EFFECT ON E C POLITICAL COOPERATION AND BE SEEN IN THE REST OF THE WORLD AS A VICTORY FOR ARGENTINA. WE ALSO HAD TO RECALL ARGENTINIAN CONDUCT IN THE RECENT PAST: THEIR ATTEMPTS TO BUY NEW MILITARY EQUIPMENT, THEIR INCURSIONS INTO THE AREA AROUND THE FALKLANDS, AND THEIR DISCRIMINATION AND RESTRICTIONS AGAINST OUR ECONOMIC RELATIONS . I GAVE THE MINISTER A MORE EXTENDED VERSION OF OUR VIEWS, TAKEN FROM YOUR RECENT TELEGRAMS, AND ASKED HIM TO TAKE THESE CAREFULLY INTO ACCOUNT BEFORE DECIDING ON THE ITALIAN POSITION.
- 3. ANDREOTTI GAVE A LONG AND REASONED REPLY. HE UNDERSTOOD OUR ATTITUDE AND HAD NO WISH TO CAUSE DIFFICULTIES FOR US. BUT HE WAS TRYING TO TAKE THE WIDER CIRCUMSTANCES INTO ACCOUNT. THESE INCLUDED THE DESIRABILITY OF ENCOURAGING A SENSIBLE CIVIL REGIME IN ARGENTINA, AND AVOIDING PRESSURE ON ITS FUTURE LEADERS WHO MIGHT THEN FEEL OBLIGED TO TURN TO THE U S S R (THERE WERE STILL LONG-TERM ECONOMIC ADVANTAGES IN SUCH A POLICY IN THE EYES OF SOME ARGENTINIANS). THERE WERE ALSO MANY FAMILY TIES BETWEEN ITALY AND ARGENTINA WHICH MADE THIS A SUBJECT OF SOME IMPORTANCE FOR ITALIANS.
- 4. THE TEXT OF THE DRAFT RESOLUTION DID NOT ATTRACT ANDREOTTI, NOT LEAST BECAUSE OF THE REFERENCE TO NEGOTIATIONS ABOUT SOVER-EIGNTY WHICH WE DISLIKED. HE HAD NO INTENTION OF CASTING ITALY'S VOTE IN FAVOUR OF THAT. BUT HE HAD BEEN INFORMED BY CHEYSSON THAT FRANCE DID NOT WISH TO TAKE A DIFFERENT LINE FROM THE US ON THE ARGENTINE DRAFT RESOLUTION THIS YEAR. THIS CREATED A NEW SITUATION AND HE WAS TRYING TO FIND SOME ALTERNATIVE

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COURSE. THE POSSIBILITY WHICH HE HAD IN MIND, AND HAD MENTIONED DURING HIS VISIT TO LONDON, HAD BEEN A MUCH SHORTER RESOLUTION, CALLING ON THE PARTIES TO RESUME EARLIER NEGOTIATIONS. THIS WOULD NOT STATE WHAT THE NEGOTIATIONS WERE ABOUT, NOR ASKE BRITAIN TO UNDERTAKE ANYTHING NEW. A THIRD ALTERNATIVE WOULD BE TO ARRANGE A VOTE ON THE ARGENTINE DRAFT PARAGRAPH BY PARAGRAPH, BUT THAT HAD PROCEDURAL DIFFICULTIES IN NEW YORK, AND MIGHT ALSO PRODUCE DIFFERENT VOTES BY EC MEMBERS ON CRUCIAL PARAGRAPHS, WHICH WOULD BE UNDESTRABLE. I REPLIED THAT THE SHORTER DRAFT HE FAVOURED WOULD NEVERTHELESS BE SEEN BY ARGENTINA AS A CALL FOR NEGOTIATIONS ABOUT SOVEREIGNTY, WHICH WAS THEIR PRE-OCCUPATION. SURELY ARGENTINA SHOULD TAKE A NUMBER OF OTHER STEPS FIRST, SUCH AS FORMALLY TERMINATING HOSTILITIES, CEASING INCURSIONS, LIFTING ECONOMIC RESTRICTIONS, AND PERHAPS ALSO RESUMING DIPLOMATIC RELATIONS.

- 5. FINALLY ANDREOTTI ASSURED ME THAT HE HAD NOT SOUGHT TO LOBBY OTHER EC CAPITALS TO BRING ABOUT A SWITCH IN THEIR VOTES. BUT HE DID THINK THAT THE SITUATION REQUIRED DISCUSSION AND CAREFUL HANDLING, AND HE AGREED WITH THE SUGGESTION (APPARENTLY REPORTED BY CAGIATI) THAT YOU THOUGHT THE ISSUE SHOULD BE HANDLED IN POLITICAL COOPERATION. HE AGREED WITH MY REMARK THAT IT WOULD BE USEFUL FOR HIM TO DISCUSS THE QUESTION FURTHER AT YOUR NEXT MEETING WITH HIM.
- WITH THE SECRETARY-GENERAL OF THE MFA ON SEPTEMBER 29, CARRYING OUT THE INSTRUCTION IN YOUR TELNO 264, REGARDING LINKAGE WITH OUR OFFER ON AKROTIRI. I PREFERRED ON THAT OCCASION TO TAKE THE TWO SUBJECTS SERIATIM, WITH THE DISCUSSION ABOUT AKROTIRI (REPORTED IN MY TELNO 478) PRECEDING THE DISCUSSION ABOUT THE ARGENTINIAN RESOLUTION ON THE FALKLANDS, RATHER THAN MAKING AN EXPLICIT LINK. MALFATTI WAS ENCOURAGINGLY ROBUST, SAYING THAT HE BELIEVED IT WOULD BE BEST FOR ITALY TO ABSTAIN AGAIN ON THE ARGENTINIAN RESOLUTION THIS YEAR, AND THAT HE WOULD SO RECOMMEND TO THE MINISTER. IT IS THUS CLEAR THAT THE DIFFERENT LINE TAKEN BY ITALIANS IS AT ANDREOTTI'S PERSONAL WISH.
  - 7. ANDREOTTI MENTIONED AT ONE POINT THAT HE HAS BEEN IN TOUCH WITH THE ARGENTINE FOREIGN MINISTER ABOUT THE UNGA ITEM.
  - 8. FCO PLEASE PASS SAVING ADDRESSEES.

BRIDGES

REPEATED AS REQUESTED

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