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Argentina Decidet of Martin.

If there is time on the plane, the Secretary of State would welcome a word with the Prime Minister.

As you know, they have already discussed the possibility of a message from the Prime Minister to the new President of Argentina. I attach a copy of my letter of 29 November, summarising the case for considering such a move and a redraft of the proposed message.

The Prime Minister has also received a message from President Reagan about certification for arms sales. I attach a draft reply, which takes into account the points made by Oliver Wright on the draft sent to us by the Department.

2 Jan

(B J P Fall)

5 December 1983

cc: PS

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Sir J Bullard

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is not equivalent to arms sales. But I cannot share your view that your announcement is a good means of exerting influence in Argentina. The incoming Government there are not only committed to reductions in military spending; their Foreign Ministerdesignate has said that arms purchases are not a priority for them, and that they would prefer other signs of approval. I fear that the Argentines who will find your announcement most welcome are the military, who will immediately look ahead from The Argentine armed forces certification to arms procurement. are now in eclipse but it is from them that we must in the longer term fear renewed threats to stability in the South Atlantic as well as to human rights in their own country. I suspect that they will see your decision as cutting across Dr Alfonsin's commitment to bring the armed forces under controlthe process which your Government and mine so keenly wish to succeed.

I welcome your undertaking about major supplies basis glad that close consultations can continue between us. These can be considered further at the meetings this week between Geoffrey Howe and George Shultz, and between Michael Heseltine Your officials have said that it is and Caspar Weinberger. important to maintain the confidentiality of these consultations. I would certainly not wish to say anything in Parliament or in public that might imply either that I was acquiescing in a decision to sell any particular item to Argentina, or that you had ignored requests from us not to do something which bought could enhance the threat to our forces in the Falklands. But the fact that certification, however legitimate opens the way for arms sales will cause great concern here, and it will be necessary for me to express publicly the regret I am now conveying to you. I propose to add that I shall continue to make my views plain to you, and to point out that your Administration has given public assurances that you will

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not supply Argentina with sophisticated weaponry that could help them mount another attack on the Falklands (this was the very welcome line taken publicly by Caspar Weinberger on 10 November).

You speak of normalising your relations with Argentina. This is also our declared policy. In welcoming the restoration of democracy there, I have made it clear that I cannot discuss sovereignty over the Falklands. But I have also said that I am willing to talk to the new Government about commercial and diplomatic relations, and that I hope that Dr Alfonsin and his Government will be able to respond positively to our proposals, ignored by the Junta, for the improvement of relations between our two countries. I hope that George Bush, when he represents the United States at Dr Alfonsin's inauguration on 10 December, will commend this approach personally to the new President as the only realistic way ahead. End quote.

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