

DEPARTMENT OF STATE
BRIEFING PAPER

THE FALKLANDS

RELEASED IN FULL

I. ARMS SALES TO ARGENTINA

- o In July 1986 you wrote to Sir Geoffrey reiterating the President's promises to Mrs. Thatcher to consult with HMG on major arms transfers to Argentina and not to take actions to enhance the threat to the Falklands.
- o The U.S. objective in working with the Alfonsin government is to consolidate civilian control of the military, which is the best assurance of peace.
- o Argentina Defense Minister Jaunarena visited Washington in October; his staff left a list of equipment needs which is being studied at DOD.
- o Mrs. Thatcher, the FCO, and MOD take a dim view of the Argentina military, which view has hardened following the "Easter mutiny" by the Argentine military. A recent incident involving Argentine radar "lock-ons" of RAF patrols near Argentine vessel also caused concern.
- o In our view the temporary threat to Argentine democracy has receded.
- o Since 1982, HMG has been especially sensitive to sale of aircraft to Argentina -- especially replacements for Argentina's deteriorating A-4s.
- o HMG objections have blocked transfers of A-4s to Argentina from Israel and a proposal to co-produce A-4s in Argentina. HMG has recently objected to a proposal to modestly upgrade existing A-4s.
- o Ambassador Price has suggested that we brief HMG on the rationale for our sales to Argentina and our assessment of the Argentine military role over the long term.
- o In line with Ambassador Price's recommendation, we hope to move forward with the non-controversial items on the Argentina list. We must deal with UK concerns, however.

II. UK - ARGENTINA FISHERIES TALKS

- o We have been the go-between in recent UK - Argentina contacts aimed at direct talks between the parties on fisheries and avoidance of incidents, without prejudice to either's position on sovereignty.
- o Last month Caputo thanked you for U.S. efforts to facilitate contact, saying that progress was difficult but the effort was important.

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